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Internal Revenue Service

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**(Circular E),
Employer's
Tax Guide**

**(Including 2007 Wage
Withholding and Advance
Earned Income Credit
Payment Tables)**



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What's New

Annual employment tax filing for small employers. Certain small employers may have to file Form 944, Employer's ANNUAL Federal Tax Return, rather than Form 941, Employer's QUARTERLY Federal Tax Return, to report their employment taxes. For details, get the Instructions for Form 944.

Redesigned Form 940 replaces previous Form 940 and Form 940-EZ. We have replaced both Form 940-EZ and Form 940 with a new simplified Form 940. If you filed Form 940-EZ before, you must now use the redesigned Form 940.

Ordering employer tax products. You will no longer receive an order blank (Form 7018-A formerly located at the end of this publication) for employer tax products and

information returns. You can order employer tax products and information returns online at www.irs.gov/businesses. To order 2006 and 2007 forms, select "Online Ordering for Information Returns and Employer Returns." You may also order employer tax products and information returns by calling 1-800-829-3676.

Instead of ordering paper Forms W-2 and W-3, consider filing them electronically using the Social Security Administration's (SSA) free e-file service. Visit SSA's Employer Reporting Instructions and Information website at www.socialsecurity.gov/employer, select "Electronically File Your W-2s," and provide registration information. You will be able to create and file "fill-in" versions of Forms W-2 with SSA and can print out completed copies of Forms W-2 for filing with state and local governments, distribution to your employees, and for your records. Form W-3 will be created for you based on your Forms W-2.

Social security and Medicare tax for 2007. Do not withhold social security tax after an employee reaches \$97,500 in social security wages. (There is no limit on the amount of wages subject to Medicare tax.) Social security and Medicare taxes apply to the wages of household workers who pay \$1,500 or more in cash. Social security and Medicare taxes apply to election workers who are paid \$1,300 or more.

Calendar

The following is a list of important dates. Also see Publication 509, Tax Calendars for 2007.



If any date shown below falls on a Saturday, Sunday, or federal holiday, use the next business day. A statewide legal holiday delays a filing due date only if the IRS office where you are required to file is located in that state. For any due date, you will meet the "file" or "furnish" requirement if the form is properly addressed and mailed First-Class or sent by an IRS-designated private delivery service on or before the due date. See Private Delivery Services on page 5 for more information on IRS-designated private delivery services.

By January 31

Furnish Forms 1099 and W-2. Furnish each employee a completed Form W-2, Wage and Tax Statement. Furnish each other payee a completed Form 1099 (for example, Form 1099-R, Distributions From Pensions, Annuities, Retirement or Profit-Sharing Plans, IRAs, Insurance Contracts, etc., and Form 1099-MISC, Miscellaneous Income).

File Form 941 or Form 944. File Form 941, Employer's QUARTERLY Federal Tax Return, for the fourth quarter of the previous calendar year and deposit any undeposited income, social security, and Medicare taxes. You may pay these taxes with Form 941 if your total tax liability for the quarter is less than \$2,500 and the taxes are paid in full with a timely filed return. File Form 944, Employer's ANNUAL Federal Tax Return, for the previous calendar year instead of Form 941 if the IRS has notified you in writing to file Form 944 and pay any undeposited income, social security, and Medicare taxes. You may pay these taxes with Form 944 if your total tax liability for the year is less than \$2,500 and the taxes are paid in full with a timely filed return. For additional rules on when you can pay your taxes with your return, see *Payment with return* on page 18. If you deposited all taxes when due, you have 10 additional calendar days from the due date above to file the appropriate return.

File Form 940. File Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return. However, if you deposited all of the FUTA tax when due, you have 10 additional calendar days to file. For 2006, you must use the redesigned Form 940 if you previously filed Form 940-EZ.

File Form 945. File Form 945, Annual Return of Withheld Federal Income Tax, to report any nonpayroll income tax withheld in 2006. See *Nonpayroll Income Tax Withholding* on page 4 for more information.

By February 15

Request a new Form W-4 from exempt employees. Ask for a new Form W-4, Employee's Withholding Allowance Certificate, from each employee who claimed exemption from income tax withholding last year.

On February 16

Exempt Forms W-4 expire. Any Form W-4 previously given to you claiming exemption from withholding has expired. Begin withholding for any employee who previously claimed exemption from withholding, but has not given you a new Form W-4 for the current year. If the employee does not give you a new Form W-4, withhold tax as if he or she is single, with zero withholding allowances. See section 9 for more information. However, if you have an earlier Form W-4 for this employee that is valid, withhold based on the earlier Form W-4.

By February 28

File Forms 1099 and 1096. File Copy A of all Forms 1099 with Form 1096, Annual Summary and Transmittal of U.S. Information Returns, with the IRS. For electronically filed returns, see *By March 31* below.

File Forms W-2 and W-3. File Copy A of all Forms W-2 with Form W-3, Transmittal of Wage and Tax Statements, with the Social Security Administration (SSA). For electronically filed returns, see *By March 31* below.

File Form 8027. File Form 8027, Employer's Annual Information Return of Tip Income and Allocated Tips, with the Internal Revenue Service. See section 6. For electronically filed returns, see *By March 31* below.

By March 31

File electronic (not magnetic media) Forms 1099, W-2, and 8027. File electronic (not magnetic media) Forms 1099 and 8027 with the IRS. File electronic (not magnetic media) Forms W-2 with the Social Security Administration. For information on reporting Form W-2 and Form W-2c information to the SSA electronically, visit the Social Security Administration's Employer Reporting Instructions and Information webpage at www.socialsecurity.gov/employer.

By April 30, July 31, October 31, and January 31

Deposit FUTA taxes. Deposit federal unemployment (FUTA) tax due if it is more than \$500.

File Form 941. File Form 941, Employer's QUARTERLY Federal Tax Return, unless the IRS notified you in writing to file Form 944, Employer's ANNUAL Federal Tax Return, by January 31 instead. Deposit any undeposited income, social security, and Medicare taxes. You may pay these

Employer Responsibilities: The following list provides a brief summary of your basic responsibilities. Because the individual circumstances for each employer can vary greatly, responsibilities for withholding, depositing, and reporting employment taxes can differ. Each item in this list has a page reference to a more detailed discussion in this publication.

New Employees:	Page	Quarterly (By April 30, July 31, October 31, and January 31):	Page
<input type="checkbox"/> Verify work eligibility of employees	4	<input type="checkbox"/> Deposit FUTA tax if undeposited amount is over \$500	29
<input type="checkbox"/> Record employees' names and SSNs from social security cards	9	<input type="checkbox"/> File Form 941 (pay tax with return if not required to deposit)	24
<input type="checkbox"/> Ask employees for 2007 Form W-4	14		
Each Payday:		Annually (See <i>Calendar</i> for due dates):	
<input type="checkbox"/> Withhold federal income tax based on each employee's Form W-4	14	<input type="checkbox"/> Remind employees to submit a new Form W-4 if they need to change their withholding	14
<input type="checkbox"/> Withhold employee's share of social security and Medicare taxes	16	<input type="checkbox"/> Ask for a new Form W-4 from employees claiming exemption from income tax withholding	14
<input type="checkbox"/> Include advance earned income credit payment in paycheck if employee requested it on Form W-5	17	<input type="checkbox"/> Reconcile Forms 941 (or Form 944) with Forms W-2 and W-3.	25
<input type="checkbox"/> Deposit:		<input type="checkbox"/> Furnish each employee a Form W-2	2
• Withheld income tax		<input type="checkbox"/> File Copy A of Forms W-2 and the transmittal Form W-3 with the SSA	2
• Withheld and employer social security taxes		<input type="checkbox"/> Furnish each other payee a Form 1099 (for example, Forms 1099-R and 1099-MISC)	2
• Withheld and employer Medicare taxes	19	<input type="checkbox"/> File Forms 1099 and the transmittal Form 1096	2
Note: <i>Due date of deposit generally depends on your deposit schedule (monthly or semiweekly).</i>		<input type="checkbox"/> File Form 940	29
Annually (By January 31)		<input type="checkbox"/> File Form 945 for any nonpayroll income tax withholding	2
<input type="checkbox"/> File Form 944 if required (pay tax with return if not required to deposit)	24		

taxes with Form 941 if your total tax liability for the quarter is less than \$2,500 and the taxes are paid in full with a timely filed return. If you deposited all taxes when due, you have 10 additional calendar days from the due dates above to file the return.

Before December 1

New Forms W-4. Remind employees to submit a new Form W-4 if their withholding allowances have changed or will change for the next year.

On December 31

Form W-5 expires. Form W-5, Earned Income Credit Advance Payment Certificate, expires each year on December 31. Eligible employees who want to receive advance payments of the earned income credit next year must give you a new Form W-5.

Reminders

Electronic Filing and Payment

Now, more than ever before, businesses can enjoy the benefits of filing and paying their federal taxes electronically. Whether you rely on a tax professional or handle your own taxes, the IRS offers you convenient programs to make filing and payment easier.

Spend less time and worry on taxes and more time running your business. Use *e-file* and the Electronic Federal Tax Payment System (EFTPS) to your benefit.

- For *e-file*, visit www.irs.gov for additional information.
- For EFTPS, visit www.eftps.gov or call EFTPS Customer Service at 1-800-555-4477.
- For electronic filing of Forms W-2, visit www.social-security.gov/employer.

Credit Card Payments

You can use your American Express® Card, Discover® Card, MasterCard® card, or Visa® card to pay the balance due shown on Form 940, Form 941, Form 944, or Form 944(SP). To pay by credit card, call toll-free or visit the website of either service provider listed below and follow the instructions. A convenience fee will be charged by the service provider based on the amount you are paying. Fees vary between the providers. You will be told what the fee is during the transaction and you will have the option to either continue or cancel the transaction. You can also find out what the fee will be by calling the provider's toll-free automated customer service number or by visiting the provider's website shown below. If you pay by credit card before filing your return, enter the confirmation number you were given at the end of the transaction and the amount you charged (not including the convenience fee) in the upper-left corner margin on page 1 of the form. You may not use a credit card to pay taxes that are required to be deposited.

- Link2Gov Corporation
1-888-PAY-1040sm (1-888-729-1040)

1-888-658-5465 (Customer Service)
www.PAY1040.com

- Official Payments Corporation
1-800-2PAY-TAXSM (1-800-272-9829)
1-877-754-4413 (Customer Service)
www.officialpayments.com

Forms in Spanish

You can provide Forma W-4(SP), Certificado de Exención de la Retención del(la) Empleado(a), in place of Form W-4, Employee's Withholding Allowance Certificate, to your Spanish-speaking employees. For more information, see Publication 579SP, *Cómo Preparar la Declaración de Impuesto Federal*. You can also provide Forma W-5(SP), Certificado del Pago por Adelantado del Crédito por Ingreso del Trabajo, in place of Form W-5, Earned Income Credit Advance Payment Certificate. For nonemployees, new Forma W-9(SP), Solicitud y Certificación del Número de Identificación del Contribuyente, may be used in place of Form W-9, Request for Taxpayer Identification Number and Certification.

Hiring New Employees

Eligibility for employment. You must verify that each new employee is legally eligible to work in the United States. This will include completing the U.S. Citizenship and Immigration Services (USCIS) Form I-9, Employment Eligibility Verification. You can get the form from USCIS offices or by calling 1-800-870-3676. Contact the USCIS at 1-800-375-5283, or visit the USCIS website at www.uscis.gov for further information.

New hire reporting. You are required to report any new employee to a designated state new hire registry. Many states accept a copy of Form W-4 with employer information added. Call the Office of Child Support Enforcement at 202-401-9267 or access its website at www.acf.hhs.gov/programs/cse/newhire for more information.

Income tax withholding. Ask each new employee to complete the 2007 Form W-4. See section 9.

Name and social security number. Record each new employee's name and number from his or her social security card. Any employee without a social security card should apply for one. See section 4.

Paying Wages, Pensions, or Annuities

Correcting Form 941 or Form 944. If you discover an error on a previously filed Form 941 or Form 944, make the correction for the quarter (Form 941) or the year (Form 944) in which you discovered the error and attach Form 941c, Supporting Statement to Correct Information. For example, in March 2007, you discover that you underreported \$10,000 in social security and Medicare wages on your fourth quarter 2006 Form 941. Correct the error by showing \$1,530 ($15.3\% \times \$10,000$) on line 7e of your 2007 first quarter Form 941 and attaching a completed Form 941c. See *Prior Period Adjustments* in section 13 for more information.

Income tax withholding. Withhold federal income tax from each wage payment or supplemental unemployment compensation plan benefit payment according to the employee's Form W-4 and the correct withholding rate. If you have nonresident alien employees, see *Withholding income taxes on the wages of nonresident alien employees* in section 9.

Withhold from periodic **pension and annuity payments** as if the recipient is married claiming three withholding allowances, unless he or she has provided Form W-4P, Withholding Certificate for Pension or Annuity Payments, either electing no withholding or giving a different number of allowances, marital status, or an additional amount to be withheld. Do not withhold on direct rollovers from qualified plans or governmental section 457(b) plans. See section 9 and Publication 15-A, Employer's Supplemental Tax Guide. Publication 15-A includes information about withholding on pensions and annuities.

Zero wage return. If you have not filed a "final" Form 941 or Form 944, or are not a "seasonal" employer (see lines 16 and 17 on Form 941), you must continue to file a Form 941 or Form 944 even for periods during which you paid no wages. IRS encourages you to file your "Zero Wage" Forms 941 or 944 electronically using IRS e-file at www.irs.gov. Click on the *e-file* logo located at the lower-left corner of the webpage.

Information Returns

You may be required to file information returns to report certain types of payments made during the year. For example, you must file Form 1099-MISC, Miscellaneous Income, to report payments of \$600 or more to persons not treated as employees (for example, independent contractors) for services performed for your trade or business. For details about filing Forms 1099 and for information about required electronic or magnetic media filing, see the 2007 General Instructions for Forms 1099, 1098, 5498, and W-2G for general information and the separate, specific instructions for each information return that you file (for example, 2007 Instructions for Forms 1099-MISC). Do not use Forms 1099 to report wages and other compensation that you paid to employees; report these on Form W-2. See the separate Instructions for Forms W-2 and W-3 for details about filing Form W-2 and for information about required electronic filing. If you file 250 or more Forms 1099, you must file them electronically or on magnetic media. If you file 250 or more Forms W-2, you must file them electronically. SSA will not accept Forms W-2 and W-3 filed on tape or cartridge.

Information reporting customer service site. The IRS operates the Enterprise Computing Center-Martinsburg, a centralized customer service site, to answer questions about reporting on Forms W-2, W-3, 1099, and other information returns. If you have questions related to reporting on information returns, call 1-866-455-7438 (toll free) or 304-263-8700 (toll call). The center can also be reached by email at mccirp@irs.gov. Call 304-267-3367 if you are a TDD/TYY user.

Nonpayroll Income Tax Withholding

Nonpayroll federal income tax withholding must be reported on Form 945, Annual Return of Withheld Federal Income Tax. Form 945 is an annual tax return and the return for 2006 is due January 31, 2007. Separate deposits are required for payroll (Form 941 or Form 944) and nonpayroll (Form 945) withholding. Nonpayroll items include:

- Pensions (including distributions from governmental section 457(b) plans), annuities, and IRAs.
- Military retirement.
- Gambling winnings.
- Indian gaming profits.
- Certain government payments subject to voluntary withholding.

- Payments subject to backup withholding.

For details on depositing and reporting nonpayroll income tax withholding, see the Instructions for Form 945.

All income tax withholding reported on Forms 1099 or Form W-2G must also be reported on Form 945. All income tax withholding reported on Form W-2 must be reported on Form 941, Form 943, Form 944, or Schedule H (Form 1040).

Distributions from nonqualified pension plans and deferred compensation plans. Because distributions to participants from some nonqualified pension plans and deferred compensation plans (including section 457(b) plans of tax-exempt organizations) are treated as wages and are reported on Form W-2, income tax withheld must be reported on Form 941 or Form 944, not on Form 945. However, distributions from such plans to a beneficiary or estate of a deceased employee are not wages and are reported on Forms 1099-R; income tax withheld must be reported on Form 945.

Backup withholding. You generally must withhold 28% of certain taxable payments if the payee fails to furnish you with his or her correct taxpayer identification number (TIN). This withholding is referred to as “backup withholding.”

Payments subject to backup withholding include interest, dividends, patronage dividends, rents, royalties, commissions, nonemployee compensation, and certain other payments that you make in the course of your trade or business. In addition, transactions by brokers and barter exchanges and certain payments made by fishing boat operators are subject to backup withholding.



Backup withholding does not apply to wages, pensions, annuities, IRAs (including simplified employee pension (SEP) and SIMPLE retirement plans), section 404(k) distributions from an employee stock ownership plan (ESOP), medical savings accounts, health savings accounts, long-term-care benefits, or real estate transactions.

You can use Form W-9 or Form W-9(SP) to request that payees furnish a TIN and to certify that the number furnished is correct. You can also use Form W-9 or Form W-9(SP) to get certifications from payees that they are not subject to backup withholding or that they are exempt from backup withholding. The Instructions for the Requester of Form W-9 (also available in Spanish) includes a list of types of payees who are exempt from backup withholding. For more information, see Publication 1281, Backup Withholding for Missing and Incorrect Name/TIN(s).

Recordkeeping

Keep all records of employment taxes for at least 4 years. These should be available for IRS review. Your records should include:

- Your employer identification number (EIN),
- Amounts and dates of all wage, annuity, and pension payments,
- Amounts of tips reported to you by your employees,
- Records of allocated tips,
- The fair market value of in-kind wages paid,
- Names, addresses, social security numbers, and occupations of employees and recipients,
- Any employee copies of Forms W-2 and W-2c that were returned to you as undeliverable,
- Dates of employment for each employee,

- Periods for which employees and recipients were paid while absent due to sickness or injury and the amount and weekly rate of payments you or third-party payers made to them,
- Copies of employees' and recipients' income tax withholding allowance certificates (Forms W-4, W-4P, W-4(SP), W-4S, and W-4V),
- Copies of employees' Earned Income Credit Advance Payment Certificates (Forms W-5 and W-5(SP)),
- Dates and amounts of tax deposits that you made and acknowledgment numbers for deposits made by EFTPS,
- Copies of returns filed, including 941TeleFile Tax Records (discontinued after June 2005) and confirmation numbers, and
- Records of fringe benefits and expense reimbursements provided to your employees, including substantiation.

Change of Address

To notify the IRS of a new business mailing address or business location, file Form 8822, Change of Address. For information on how to change your address for deposit coupons, see *Making deposits with FTD coupons* in section 11.

Private Delivery Services

You can use certain private delivery services designated by the IRS to mail tax returns and payments. The list includes only the following:

- DHL Express (DHL): DHL Same Day Service; DHL Next Day 10:30 am; DHL Next Day 12:00 pm; DHL Next Day 3:00 pm; and DHL 2nd Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver, UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

Your private delivery service can tell you how to get written proof of the mailing date.



Private delivery services cannot deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.

Telephone Help

Tax questions. You can call the IRS with your employment tax questions at 1-800-829-4933.

Help for people with disabilities. Telephone help is available using TTY/TDD equipment. You may call 1-800-829-4059 with any tax question or to order forms and publications. You may also use this number for assistance with unresolved tax problems.

Recorded tax information (TeleTax). The IRS TeleTax service provides recorded tax information on topics that answer many individual and business federal tax questions. You can listen to up to three topics on each call that you make. Touch-Tone service is available 24 hours a day,

7 days a week. TeleTax topics are also available using a personal computer. Connect to www.irs.gov/taxtopics.

A list of employment tax topics is provided below. Select, by number, the topic you want to hear and call 1-800-829-4477. For the directory of all topics, select Topic 123.

Teletax Topics

Topic No.	Subject (These topics are available in Spanish)
752	Form W-2—Where, When, and How to File (Dónde, Cuándo y Cómo Presentar La Forma W-2)
753	Form W-4—Employee's Withholding Allowance Certificate (Forma W-4—Certificado de Deducción en la Retención del Empleado)
754	Form W-5—Advance Earned Income Credit (Forma W-5—Pago Anticipado del Crédito por Ingreso del Trabajo)
755	Employer Identification Number (EIN)—How to Apply (Como Solicitar Un Número de Identificación Patronal (EIN))
756	Employment Taxes for Household Employees (Impuestos Patronales por Empleados Domésticos)
757	Form 941—Deposit Requirements (Forma 941—Requisitos de Depósito)
758	Form 941—Employer's Quarterly Federal Tax Return (Forma 941—Declaración Trimestral del Impuesto Federal del Empleador)
759	Form 940—Deposit Requirements (Forma 940—Requisitos de Depósito)
760	Form 940—Employer's Annual Federal Unemployment Tax Returns (Forma 940—Declaración Anual del Empleador del Impuesto Federal para el Desempleo)
761	Tips—Withholding and Reporting (Propinas—Declaración y Retención)
762	Independent Contractor vs. Employee (Contratista Independiente vs. Empleado)

Additional employment tax information. Visit the IRS website at www.irs.gov and type "Employment Tax" in the search box for a list of employment tax topics.

Contacting Your Taxpayer Advocate

If you have attempted to deal with an IRS problem unsuccessfully, you should contact your Taxpayer Advocate. The Taxpayer Advocate independently represents your interests and concerns within the IRS by protecting your rights and resolving problems that have not been fixed through normal channels. While Taxpayer Advocates cannot change the tax law or make a technical tax decision, they can clear up problems that resulted from previous contacts and ensure that your case is given a complete and impartial review. To contact your Taxpayer Advocate:

- Call the Taxpayer Advocate toll free at 1-877-777-4778.

- Call, write, or fax the Taxpayer Advocate office in your area. Get Publication 1546 (see below) for contact information.
- Call 1-800-829-4059 if you are a TTY/TDD user.
- Visit www.irs.gov/advocate.

For more information, see Publication 1546, The Taxpayer Advocate Service (now available in Chinese, Korean, Russian, and Vietnamese, in addition to English and Spanish).

Filing Addresses

Generally, your filing address for Forms 940, 941, 943, 944, and 945 depends on the location of your residence or principal place of business and whether or not you included a payment with your return. There are separate filing addresses for these returns if you are a tax-exempt organization or government entity. If you are located in the United States and do not include a payment with your return, you should file at either the Cincinnati or Ogden Service Centers. File Form CT-1 (for railroad retirement taxes) at the Cincinnati Service Center. See the separate instructions for Form 940, 941, 943, 944, 945, or CT-1 for details on where to file.

Photographs of missing children

The Internal Revenue Service is a proud partner with the National Center for Missing and Exploited Children. Photographs of missing children selected by the Center may appear in this publication on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

Introduction

This publication explains your tax responsibilities as an employer. It explains the requirements for withholding, depositing, reporting, and paying employment taxes. It explains the forms that you must give to your employees, those that your employees must give to you, and those that you must send to the IRS and SSA. This guide also has tax tables that you need to figure the taxes to withhold from each employee for 2007. References to "income tax" in this guide apply only to "federal" income tax. Contact your state or local tax department to determine if their rules are different.

Additional employment tax information is available in Publication 15-A, Employer's Supplemental Tax Guide. Publication 15-A includes specialized information supplementing the basic employment tax information provided in this publication. Publication 15-B, Employer's Tax Guide to Fringe Benefits, contains information about the employment tax treatment and valuation of various types of non-cash compensation.

Most employers must withhold (except FUTA), deposit, report, and pay the following employment taxes.

- Income tax.
- Social security and Medicare taxes.
- Federal unemployment tax (FUTA).

There are exceptions to these requirements. See section 15, *Special Rules for Various Types of Services and Payments*. Railroad retirement taxes are explained in the Instructions for Form CT-1.

Federal Government employers. The information in this guide applies to federal agencies except for the rules

requiring deposit of federal taxes only at Federal Reserve banks or through the FedTax option of the Government On-Line Accounting Link Systems (GOALS). See the Treasury Financial Manual (I TFM 3-4000) for more information.

State and local government employers. Payments to employees for services in the employ of state and local government employers are generally subject to federal income tax withholding but not federal unemployment (FUTA) tax. Most elected and appointed public officials of state or local governments are employees under common law rules. See chapter 3 of Publication 963, Federal-State Reference Guide. In addition, wages, with certain exceptions, are subject to social security and Medicare taxes. See section 15 of this guide for more information on the exceptions.

If an election worker is employed in another capacity with the same government entity, see Revenue Ruling 2000-6 on page 512 of Internal Revenue Bulletin 2000-6 at www.irs.gov/pub/irs-irbs/irb00-06.pdf.

You can get information on reporting and social security coverage from your local IRS office. If you have any questions about coverage under a section 218 (Social Security Act) agreement, contact the appropriate state official. To find your State Social Security Administrator, contact the National Conference of State Social Security Administrators website at www.ncsssa.org.

Comments and suggestions. We welcome your comments about this publication and your suggestions for future editions. You can email us at *taxforms@irs.gov. (The asterisk must be included in the address.) Please put "Publications Comment" on the subject line.

You can write to us at the following address:

Internal Revenue Service
Tax Products Coordinating Committee
SE:W:CAR:MP:T:T:SP
1111 Constitution Ave. NW, IR-6406
Washington, DC 20224

We respond to many letters by telephone. Therefore, it would be helpful if you would include your daytime phone number, including the area code, in your correspondence.

1. Employer Identification Number (EIN)

If you are required to report employment taxes or give tax statements to employees or annuitants, you need an employer identification number (EIN).

The EIN is a 9-digit number that the IRS issues. The digits are arranged as follows: 00-0000000. It is used to identify the tax accounts of employers and certain others who have no employees. Use your EIN on all of the items that you send to the IRS and SSA. For more information, get Publication 1635, Understanding Your EIN.

If you do not have an EIN, request one on Form SS-4, Application for Employer Identification Number. The Instructions for Form SS-4 have information on how to apply for an EIN by mail, fax, or by telephone. You may also apply for an EIN online by visiting the IRS website at www.irs.gov/smallbiz. Do not use a social security number (SSN) in place of an EIN.

You should have only one EIN. If you have more than one and are not sure which one to use, call the Business and Specialty Tax Line at 1-800-829-4933 (TTY/TDD users can call 1-800-829-4059). Give the numbers that you have, the name and address to which each was assigned, and the address of your main place of business. The IRS will tell you which number to use.

If you took over another employer's business (see *Successor employer* in section 9), do not use that employer's EIN. If you do not have your own EIN by the time a return is due, write "Applied For" and the date that you applied for it in the space shown for the number.

See *Depositing without an EIN* in section 11 if you must make a tax deposit and you do not have an EIN.

2. Who Are Employees?

Generally, employees are defined either under common law or under statutes for certain situations.

Employee status under common law. Generally, a worker who performs services for you is your employee if you have the right to control what will be done and how it will be done. This is so even when you give the employee freedom of action. What matters is that you have the right to control the details of how the services are performed. See Publication 15-A, Employer's Supplemental Tax Guide, for more information on how to determine whether an individual providing services is an independent contractor or an employee.

Generally, people in business for themselves are not employees. For example, doctors, lawyers, veterinarians, construction contractors, and others in an independent trade in which they offer their services to the public are usually not employees. However, if the business is incorporated, corporate officers who work in the business are employees.

If an employer-employee relationship exists, it does not matter what it is called. The employee may be called an agent or independent contractor. It also does not matter how payments are measured or paid, what they are called, or if the employee works full or part time.

Statutory employees. If someone who works for you is not an employee under the common law rules discussed above, do not withhold federal income tax from his or her pay. Although the following persons may not be common law employees, they may be considered employees by statute for social security, Medicare, and FUTA tax purposes under certain conditions.

- An agent (or commission) driver who delivers food, beverages (other than milk), laundry, or dry cleaning for someone else.
- A full-time life insurance salesperson who sells primarily for one company.
- A homemaker who works by guidelines of the person for whom the work is done, with materials furnished by and returned to that person or to someone that person designates.
- A traveling or city salesperson (other than an agent-driver or commission-driver) who works full time (except for sideline sales activities) for one firm or person getting orders from customers. The orders must be for items for resale or use as supplies in the customer's business. The customers must be retailers, wholesalers, contractors, or operators of hotels, restaurants, or other businesses dealing with food or lodging.

See Publication 15-A for details on statutory employees.

Statutory nonemployees. Direct sellers, qualified real estate agents, and certain companion sitters are, by law, considered nonemployees. They are generally treated as self-employed for all federal tax purposes, including income and employment taxes. See Publication 15-A for details.

Treating employees as nonemployees. You will generally be liable for social security and Medicare taxes and withheld income tax if you do not deduct and withhold these taxes because you treated an employee as a non-employee. See Internal Revenue Code section 3509 for details. Also see *Special additions to tax liability* under *Prior Period Adjustments* in section 13.

Relief provisions. If you have a reasonable basis for not treating a worker as an employee, you may be relieved from having to pay employment taxes for that worker. To get this relief, you must file all required federal tax returns, including information returns, on a basis consistent with your treatment of the worker. You (or your predecessor) must not have treated any worker holding a substantially similar position as an employee for any periods beginning after 1977.

IRS help. If you want the IRS to determine whether a worker is an employee, file Form SS-8, Determination of Worker Status for Purposes of Federal Employment Taxes and Income Tax Withholding.

3. Family Employees

Child employed by parents. Payments for the services of a child under age 18 who works for his or her parent in a trade or business are not subject to social security and Medicare taxes if the trade or business is a sole proprietorship or a partnership in which each partner is a parent of the child. If these payments are for work other than in a trade or business, such as domestic work in the parent's private home, they are not subject to social security and Medicare taxes until the child reaches age 21. However, see *Covered services of a child or spouse* later. Payments for the services of a child under age 21 who works for his or her parent, whether or not in a trade or business, are not subject to federal unemployment (FUTA) tax. Although not subject to FUTA tax, the wages of a child may be subject to income tax withholding.

One spouse employed by another. The wages for the services of an individual who works for his or her spouse in a trade or business are subject to income tax withholding and social security and Medicare taxes, but not to FUTA tax. However, the payments for services of one spouse employed by another in other than a trade or business, such as domestic service in a private home, are not subject to social security, Medicare, and FUTA taxes.

Covered services of a child or spouse. The wages for the services of a child or spouse are subject to income tax withholding as well as social security, Medicare, and FUTA taxes if he or she works for:

- A corporation, even if it is controlled by the child's parent or the individual's spouse,
- A partnership, even if the child's parent is a partner, unless each partner is a parent of the child,
- A partnership, even if the individual's spouse is a partner, or
- An estate, even if it is the estate of a deceased parent.

Parent employed by child. The payments for the services of a parent employed by his or her child in a trade or business are subject to income tax withholding and social security and Medicare taxes. Social security and Medicare taxes do not apply to payments made to a parent for services not in a trade or business, but they apply to domestic services if:

- The parent cares for a child who lives with the parent's child and the child is under age 18 or requires adult supervision for at least 4 continuous weeks in a calendar quarter due to a mental or physical condition and
- The parent's son or daughter is a widow or widower, divorced, or living with a spouse who, because of a physical or mental condition that lasts at least 4 continuous weeks, cannot care for the child during such period.

Payments made to a parent employed by his or her child are not subject to FUTA tax, regardless of the type of services provided.

4. Employee's Social Security Number (SSN)

You are required to get each employee's name and SSN and to enter them on Form W-2. This requirement also applies to resident and nonresident alien employees. You should ask your employee to show you his or her social security card. The employee may show the card if it is available. You may, but are not required to, photocopy the social security card if the employee provides it. If you do not provide the correct employee name and SSN on Form W-2, you may owe a penalty unless you have reasonable cause. See Publication 1586, Reasonable Cause Regulations and Requirements for Missing and Incorrect Name/TINs.

Applying for a social security card. Any employee who is legally eligible to work in the United States and does not have a social security card can get one by completing Form SS-5, Application for a Social Security Card, and submitting the necessary documentation. You can get this form at SSA offices, by calling 1-800-772-1213, or from the SSA website at www.socialsecurity.gov/online/ss-5.html. The employee must complete and sign Form SS-5; it cannot be filed by the employer.

Applying for a social security number. If you file Form W-2 on paper and your employee applied for an SSN but does not have one when you must file Form W-2, enter "Applied For" on the form. If you are filing electronically, enter all zeros (000-00-000) in the social security number field. When the employee receives the SSN, file Copy A of Form W-2c, Corrected Wage and Tax Statement, with the SSA to show the employee's SSN. Furnish copies B, C, and 2 of Form W-2c to the employee. Up to five Forms W-2c per Form W-3c (50 Forms W-3c maximum) may now be filed over the Internet. For more information, visit the Social Security Administration's Employer Reporting Instructions and Information webpage at www.socialsecurity.gov/employer. Advise your employee to correct the SSN on his or her original Form W-2.

Correctly record the employee's name. Record the name and number of each employee as they are shown on the employee's social security card. If the employee's name is not correct as shown on the card (for example, because of marriage or divorce), the employee should request a corrected card from the SSA. Continue to report the employee's wages under the old name until the employee shows you an updated social security card with the new name.

If the Social Security Administration issues the employee a replacement card after a name change, or a new card with a different social security number after a change in alien work status, file a Form W-2c to correct the name/SSN reported for the most recently filed Form W-2. It is not

necessary to correct other years if the previous name and number were used for years before the most recent Form W-2.

IRS individual taxpayer identification numbers (ITINs) for aliens. Do not accept an ITIN in place of an SSN for employee identification or for work. An ITIN is only available to resident and nonresident aliens who are not eligible for U.S. employment and need identification for other tax purposes. You can identify an ITIN because it is a 9-digit number, beginning with the number "9" with either a "7" or "8" as the fourth digit and is formatted like an SSN (for example, 9NN-7N-NNNN).



An individual with an ITIN who later becomes eligible to work in the United States must obtain an SSN.

Verification of social security numbers. The SSA offers employers and authorized reporting agents four methods for verifying employee SSNs.

- **Internet.** Verify up to 10 names and numbers (per screen) online and receive immediate results, or upload batch files of up to 250,000 names and numbers and usually receive results the next government business day. Visit www.socialsecurity.gov/employer and select the link titled "Social Security Number Verification."
- **Telephone.** Verify up to five names and numbers by calling 1-800-772-6270 or 1-800-772-1213.
- **Paper.** Verify up to 300 names and numbers by submitting a paper request to: Social Security Administration, Data Operations Center, Wilkes-Barre, PA 18769.
- **Magnetic media.** Verify between 51 and 250,000 names and numbers by submitting magnetic tape or diskette to SSA. For information about submitting your request by magnetic media, visit the Social Security Administration's website at www.socialsecurity.gov/employer/ssnvadditional.htm

Some verification methods require registration. For more information, call 1-800-772-6270.

5. Wages and Other Compensation

Wages subject to federal employment taxes generally include all pay that you give to an employee for services performed. The pay may be in cash or in other forms. It includes salaries, nonqualified deferred compensation recognized under section 409A, vacation allowances, bonuses, commissions, and fringe benefits. It does not matter how you measure or make the payments. Amounts an employer pays as a bonus for signing or ratifying a contract in connection with the establishment of an employer-employee relationship and an amount paid to an employee for cancellation of an employment contract and relinquishment of contract rights are wages subject to social security, Medicare, and federal unemployment taxes and income tax withholding. Also, compensation paid to a former employee for services performed while still employed is wages subject to employment taxes.

More information. See section 6 for a discussion of tips and section 7 for a discussion of supplemental wages. Also, see section 15 for exceptions to the general rules for wages. Publication 15-A, Employer's Supplemental Tax Guide, provides additional information on wages and other

compensation. Publication 15-B, Employer's Tax Guide to Fringe Benefits, provides information on other forms of compensation, including:

- Accident and health benefits,
- Achievement awards,
- Adoption assistance,
- Athletic facilities,
- De minimis (minimal) benefits,
- Dependent care assistance,
- Educational assistance,
- Employee discounts,
- Employee stock options,
- Group-term life insurance coverage,
- Lodging on your business premises,
- Meals,
- Moving expense reimbursements,
- No-additional-cost services,
- Retirement planning services,
- Transportation (commuting) benefits,
- Tuition reduction, and
- Working condition benefits.

Employee business expense reimbursements. A reimbursement or allowance arrangement is a system by which you pay the advances, reimbursements, and charges for your employees' substantiated business expenses. How you report a reimbursement or allowance amount depends on whether you have an accountable or a nonaccountable plan. If a single payment includes both wages and an expense reimbursement, you must specify the amount of the reimbursement.

These rules apply to all ordinary and necessary employee business expenses that would otherwise qualify for a deduction by the employee.

Accountable plan. To be an accountable plan, your reimbursement or allowance arrangement must require your employees to meet all three of the following rules.

1. They must have paid or incurred deductible expenses while performing services as your employees.
2. They must adequately account to you for these expenses within a reasonable period of time.
3. They must return any amounts in excess of expenses within a reasonable period of time.

Amounts paid under an accountable plan are not wages and are not subject to income tax withholding and payment of social security, Medicare, and federal unemployment (FUTA) taxes.

If the expenses covered by this arrangement are not substantiated (or amounts in excess of expenses are not returned within a reasonable period of time), the amount paid under the arrangement in excess of the substantiated expenses is treated as paid under a nonaccountable plan. This amount is subject to income tax withholding and payment of social security, Medicare, and FUTA taxes for the first payroll period following the end of the reasonable period.

A reasonable period of time depends on the facts and circumstances. Generally, it is considered reasonable if your employees receive their advance within 30 days of

the time that they incur the expenses, adequately account for the expenses within 60 days after the expenses were paid or incurred, and return any amounts in excess of expenses within 120 days after the expenses were paid or incurred. Also, it is considered reasonable if you give your employees a periodic statement (at least quarterly) that asks them to either return or adequately account for outstanding amounts and they do so within 120 days.

Nonaccountable plan. Payments to your employee for travel and other necessary expenses of your business under a nonaccountable plan are wages and are treated as supplemental wages and subject to income tax withholding and payment of social security, Medicare, and FUTA taxes. Your payments are treated as paid under a nonaccountable plan if:

- Your employee is not required to or does not substantiate timely those expenses to you with receipts or other documentation,
- You advance an amount to your employee for business expenses and your employee is not required to or does not return timely any amount he or she does not use for business expenses, or
- You advance or pay an amount to your employee without regard for anticipated or incurred business expenses.

See section 7 for more information on supplemental wages.

Per diem or other fixed allowance. You may reimburse your employees by travel days, miles, or some other fixed allowance. In these cases, your employee is considered to have accounted to you if your reimbursement does not exceed rates established by the Federal Government. The 2006 standard mileage rate for auto expenses was 44.5 cents per mile. The rate for 2007 is 48.5 cents per mile. The government per diem rates for meals and lodging in the continental United States are listed in Publication 1542, Per Diem Rates. Other than the amount of these expenses, your employees' business expenses must be substantiated (for example, the business purpose of the travel or the number of business miles driven).

If the per diem or allowance paid exceeds the amounts specified, you must report the excess amount as wages. This excess amount is subject to income tax withholding and payment of social security, Medicare, and FUTA taxes. Show the amount equal to the specified amount (for example, the nontaxable portion) in box 12 of Form W-2 using code L.

Wages not paid in money. If in the course of your trade or business you pay your employees in a medium that is neither cash nor a readily negotiable instrument, such as a check, you are said to pay them "in kind." Payments in kind may be in the form of goods, lodging, food, clothing, or services. Generally, the fair market value of such payments at the time that they are provided is subject to federal income tax withholding and social security, Medicare, and FUTA taxes.

However, noncash payments for household work, agricultural labor, and service not in the employer's trade or business are exempt from social security, Medicare, and FUTA taxes. Withhold income tax on these payments only if you and the employee agree to do so. Nonetheless, noncash payments for agricultural labor, such as commodity wages, are treated as cash payments subject to employment taxes if the substance of the transaction is a cash payment.

Moving expenses. Reimbursed and employer-paid qualified moving expenses (those that would otherwise be deductible by the employee) paid under an accountable plan

are not includible in an employee's income unless you have knowledge that the employee deducted the expenses in a prior year. Reimbursed and employer-paid nonqualified moving expenses are includible in income and are subject to employment taxes and income tax withholding. For more information on moving expenses, see Publication 521, Moving Expenses.

Meals and lodging. The value of meals is not taxable income and is not subject to income tax withholding and social security, Medicare, and FUTA taxes if the meals are furnished for the employer's convenience and on the employer's premises. The value of lodging is not subject to income tax withholding and social security, Medicare, and FUTA taxes if the lodging is furnished for the employer's convenience, on the employer's premises, and as a condition of employment.

"For the convenience of the employer" means that you have a substantial business reason for providing the meals and lodging other than to provide additional compensation to the employee. For example, meals that you provide at the place of work so that an employee is available for emergencies during his or her lunch period are generally considered to be for your convenience.

However, whether meals or lodging are provided for the convenience of the employer depends on all of the facts and circumstances. A written statement that the meals or lodging are for your convenience is not sufficient.

50% test. If over 50% of the employees who are provided meals on an employer's business premises receive these meals for the convenience of the employer, all meals provided on the premises are treated as furnished for the convenience of the employer. If this 50% test is met, the value of the meals is excludable from income for all employees and is not subject to federal income tax withholding or employment taxes.

For more information, see Publication 15-B, Employer's Tax Guide to Fringe Benefits.

Health insurance plans. If you pay the cost of an accident or health insurance plan for your employees, including an employee's spouse and dependents, your payments are not wages and are not subject to social security, Medicare, and FUTA taxes, or federal income tax withholding. Generally, this exclusion also applies to qualified long-term care insurance contracts. However, the cost of health insurance benefits must be included in the wages of S corporation employees who own more than 2% of the S corporation (2% shareholders).

Health Savings Accounts and medical savings accounts. Your contributions to an employee's Health Savings Account (HSA) or medical savings account (Archer MSA) are not subject to social security, Medicare, or FUTA taxes, or federal income tax withholding if it is reasonable to believe at the time of payment of the contributions that they will be excludable from the income of the employee. To the extent that it is not reasonable to believe that they will be excludable, your contributions are subject to these taxes. Employee contributions to their HSAs or MSAs through a payroll deduction plan must be included in wages and are subject to social security, Medicare, and FUTA taxes and income tax withholding. However, HSA contributions made under a salary reduction arrangement in a section 125 cafeteria plan are not wages and are not subject to employment taxes or withholding. For more information, see the Instructions for Form 8889.

Medical care reimbursements. Generally, medical care reimbursements paid for an employee under an employer's self-insured medical reimbursement plan are not wages and are not subject to social security, Medicare,

and FUTA taxes, or income tax withholding. See Publication 15-B for an exception for highly compensated employees.

Military differential pay. Military differential payments are made voluntarily by an employer to make up some or all of the difference between the regular salary of an employee called to military active duty and the amount being paid by the military if the regular salary was higher. It also includes military continuation pay and active duty differential payments required by state statutes or payments made by certain states or commonwealths that pay a stipend or a set dollar amount to their employees called to military active duty.

Military differential payments are not wages and are not subject to social security, Medicare, or FUTA taxes or income tax withholding. Employers should report military differential pay on Form 1099-MISC in box 3, Other income. For more information about the tax treatment of military differential pay, visit the IRS website at www.irs.gov and search for "Employers with Employees in a Combat Zone."

Fringe benefits. You generally must include fringe benefits in an employee's gross income (but see *Nontaxable fringe benefits* next). The benefits are subject to income tax withholding and employment taxes. Fringe benefits include cars that you provide, flights on aircraft that you provide, free or discounted commercial flights, vacations, discounts on property or services, memberships in country clubs or other social clubs, and tickets to entertainment or sporting events. In general, the amount that you must include is the amount by which the fair market value of the benefits is more than the sum of what the employee paid for it plus any amount that the law excludes. There are other special rules that you and your employees may use to value certain fringe benefits. See Publication 15-B for more information.

Nontaxable fringe benefits. Some fringe benefits are not taxable (or are minimally taxable) if certain conditions are met. See Publication 15-B for details. Examples include:

1. Services provided to your employees at no additional cost to you,
2. Qualified employee discounts,
3. Working condition fringes that are property or services that the employee could deduct as a business expense if he or she had paid for it. Examples include a company car for business use and subscriptions to business magazines,
4. Minimal value fringes (including an occasional cab ride when an employee must work overtime, local transportation benefits provided because of unsafe conditions and unusual circumstances, and meals that you provide at eating places that you run for your employees if the meals are not furnished at below cost),
5. Qualified transportation fringes subject to specified conditions and dollar limitations (including transportation in a commuter highway vehicle, any transit pass, and qualified parking),
6. Qualified moving expense reimbursement. See *Moving expenses*, above for details,
7. The use of on-premises athletic facilities, if substantially all of the use is by employees, their spouses, and their dependent children, and
8. Qualified tuition reduction that an educational organization provides to its employees for education. For

more information, see Publication 970, Tax Benefits for Education.

However, do not exclude the following fringe benefits from the income of highly compensated employees unless the benefit is available to other employees on a nondiscriminatory basis.

- No-additional-cost services (item 1 above).
- Qualified employee discounts (item 2 above).
- Meals provided at an employer operated eating facility (included in item 4 above).
- Reduced tuition for education (item 8 above).

For more information, including the definition of a highly compensated employee, see Publication 15-B.

When fringe benefits are treated as paid. You may choose to treat certain noncash fringe benefits as paid by the pay period, by the quarter, or on any other basis that you choose as long as you treat the benefits as paid at least once a year. You do not have to make a formal choice of payment dates or notify the IRS of the dates that you choose. You do not have to make this choice for all employees. You may change methods as often as you like, as long as you treat all benefits provided in a calendar year as paid by December 31 of the calendar year. See Publication 15-B for more information, including a discussion of the special accounting rule for fringe benefits provided during November and December.

Valuation of fringe benefits. Generally, you must determine the value of fringe benefits no later than January 31 of the next year. Before January 31, you may reasonably estimate the value of the fringe benefits for purposes of withholding and depositing on time.

Withholding on fringe benefits. You may add the value of fringe benefits to regular wages for a payroll period and figure withholding taxes on the total, or you may withhold federal income tax on the value of the fringe benefits at the flat 25% supplemental wage rate. However, see *Withholding on supplemental wages when an employee receives more than \$1,000,000 of supplemental wages during the calendar year* in section 7.

You may choose not to withhold income tax on the value of an employee's personal use of a vehicle that you provide. You must, however, withhold social security and Medicare taxes on the use of the vehicle. See Publication 15-B for more information on this election.

Depositing taxes on fringe benefits. Once you choose payment dates for fringe benefits (discussed above), you must deposit taxes in the same deposit period that you treat the fringe benefits as paid. To avoid a penalty, deposit the taxes following the general deposit rules for that deposit period.

If you determine by January 31 that you overestimated the value of a fringe benefit at the time you withheld and deposited for it, you may claim a refund for the overpayment or have it applied to your next employment tax return. See *Valuation of fringe benefits* above. If you underestimated the value and deposited too little, you may be subject to a failure-to-deposit penalty. See section 11 for information on deposit penalties.

If you deposited the required amount of taxes but withheld a lesser amount from the employee, you can recover from the employee the social security, Medicare, or income taxes that you deposited on his or her behalf, and included in the employee's Form W-2. However, you must recover the income taxes before April 1 of the following year.

Sick pay. In general, sick pay is any amount that you pay under a plan to an employee who is unable to work because of sickness or injury. These amounts are sometimes paid by a third party, such as an insurance company or an employees' trust. In either case, these payments are subject to social security, Medicare, and FUTA taxes. Sick pay becomes exempt from these taxes after the end of 6 calendar months after the calendar month that the employee last worked for the employer. The payments are always subject to federal income tax. See Publication 15-A for more information.

6. Tips

Tips that your employee receives from customers are generally subject to withholding. Your employee must report cash tips to you by the 10th of the month after the month that the tips are received. The report should include tips that you paid over to the employee for charge customers and tips that the employee received directly from customers. No report is required for months when tips are less than \$20. Your employee reports the tips on Form 4070, Employee's Report of Tips to Employer, or on a similar statement. The statement must be signed by the employee and must show the following:

- The employee's name, address, and SSN.
- Your name and address.
- The month or period that the report covers.
- The total of tips received during the month or period.

Both Forms 4070 and 4070-A, Employee's Daily Record of Tips, are included in Publication 1244, Employee's Daily Record of Tips and Report to Employer.



You are permitted to establish a system for electronic tip reporting by employees. See Regulations section 31.6053-1(d).

Collecting taxes on tips. You must collect income tax, employee social security tax, and employee Medicare tax on the employee's tips. If an employee reports to you in writing \$20 or more of tips in a month, the tips are also subject to FUTA tax.

You can collect these taxes from the employee's wages or from other funds that he or she makes available. See *Tips treated as supplemental wages* in section 7 for more information. Stop collecting the employee social security tax when his or her wages and tips for tax year 2007 reach \$97,500; collect the income and employee Medicare taxes for the whole year on all wages and tips. You are responsible for the employer social security tax on wages and tips until the wages (including tips) reach the limit. You are responsible for the employer Medicare tax for the whole year on all wages and tips. File Form 941 or Form 944 to report withholding and employment taxes on tips.

Ordering rule. If, by the 10th of the month after the month for which you received an employee's report on tips, you do not have enough employee funds available to deduct the employee tax, you no longer have to collect it. If there are not enough funds available, withhold taxes in the following order.

1. Withhold on regular wages and other compensation.
2. Withhold social security and Medicare taxes on tips.
3. Withhold income tax on tips.

Reporting tips. Report tips and any uncollected social security and Medicare taxes on Form W-2 and on lines 5b

and 5c of Form 941 (lines 4b and 4c of Form 944). Report an adjustment on line 7c of Form 941 (line 6a of Form 944) for the uncollected social security and Medicare taxes. Enter the amount of uncollected social security and Medicare taxes in box 12 of Form W-2 with codes A and B. See section 13 and the Instructions for Forms W-2 and W-3.

Allocated tips. If you operate a large food or beverage establishment, you must report allocated tips under certain circumstances. However, do not withhold income, social security, or Medicare taxes on allocated tips.

A large food or beverage establishment is one that provides food or beverages for consumption on the premises, where tipping is customary, and where there were normally more than 10 employees on a typical business day during the preceding year.

The tips may be allocated by one of three methods—hours worked, gross receipts, or good faith agreement. For information about these allocation methods, including the requirement to file Forms 8027 on magnetic media or electronically if 250 or more forms are filed, see the Instructions for Form 8027.

Tip Rate Determination and Education Program. Employers may participate in the Tip Rate Determination and Education Program. The program primarily consists of two voluntary agreements developed to improve tip income reporting by helping taxpayers to understand and meet their tip reporting responsibilities. The two agreements are the Tip Rate Determination Agreement (TRDA) and the Tip Reporting Alternative Commitment (TRAC). Additionally, the IRS is offering an expanded tip reporting and education program for food and beverage industry employers called the Attributed Tip Income Program (ATIP). ATIP has simple enrollment requirements and procedures. To find out more about the program, or to identify the IRS Tip Coordinator for your state, call the IRS at 1-800-829-4933. To get more information about TRDA, TRAC, or ATIP agreements, access the IRS website at www.irs.gov and search for Market Segment Understanding (MSU) agreements.

7. Supplemental Wages

Supplemental wages are compensation paid in addition to an employee's regular wages. They include, but are not limited to, bonuses, commissions, overtime pay, payments for accumulated sick leave, severance pay, awards, prizes, back pay and retroactive pay increases for current employees, and payments for nondeductible moving expenses. Other payments subject to the supplemental wage rules include taxable fringe benefits and expense allowances paid under a nonaccountable plan. How you withhold on supplemental wages depends on whether the supplemental payment is identified as a separate payment from regular wages. See Treasury Decision 9276 for additional guidance for wages paid after January 1, 2007. You can find Treasury Decision 9276 on page 423 of Internal Revenue Bulletin 2006-37 at www.irs.gov/pub/irs-irbs/irb06-37.pdf.

Withholding on supplemental wages when an employee receives more than \$1,000,000 of supplemental wages from you during the calendar year. Special rules apply to the extent that supplemental wages paid to any one employee during the calendar year exceed \$1,000,000. If a supplemental wage payment, together with other supplemental wage payments made to the employee during the calendar year, exceeds \$1,000,000, the excess is subject to withholding at 35 percent (or the highest rate of income tax for the year). Withhold using the 35% rate without regard to the employee's Form W-4. In determining supplemental wages paid to the employee

during the year, include payments from all businesses under common control. For more information, see Treasury Decision 9276. You can find Treasury Decision 9276 on page 423 of Internal Revenue Bulletin 2006-37 at www.irs.gov/pub/irs-irbs/irb06-37.pdf.

Withholding on supplemental wage payments to an employee who does not receive \$1,000,000 of supplemental wages during the calendar year. If the supplemental wages paid to the employee during the calendar year are less than or equal to \$1,000,000, the following rules apply in determining the amount of income tax to be withheld.

Supplemental wages combined with regular wages. If you pay supplemental wages with regular wages but do not specify the amount of each, withhold federal income tax as if the total were a single payment for a regular payroll period.

Supplemental wages identified separately from regular wages. If you pay supplemental wages separately (or combine them in a single payment and specify the amount of each), the federal income tax withholding method depends partly on whether you withhold income tax from your employee's regular wages.

1. If you withheld income tax from an employee's regular wages, you can use one of the following methods for the supplemental wages.
 - a. Withhold a flat 25% (no other percentage allowed).
 - b. Add the supplemental and regular wages for the most recent payroll period this year. Then figure the income tax withholding as if the total was a single payment. Subtract the tax already withheld from the regular wages. Withhold the remaining tax from the supplemental wages. If there were other payments of supplemental wages (after the last payment of regular wages but before the current payment of supplemental wages), aggregate all the payments, calculate the tax on the total, subtract the tax already withheld from the regular wages and the previous supplemental wages, and withhold the remaining tax.
2. If you did not withhold income tax from the employee's regular wages, use method 1-b above. This would occur, for example, when the value of the employee's withholding allowances claimed on Form W-4 is more than the wages.

Regardless of the method that you use to withhold income tax on supplemental wages, they are subject to social security, Medicare, and FUTA taxes.

Example 1. You pay John Peters a base salary on the 1st of each month. He is single and claims one withholding allowance. In January of 2007, he is paid \$1,000. Using the wage bracket tables, you withhold \$52 from this amount. In February 2007, he receives salary of \$1,000 plus a commission of \$2,000, which you include in regular wages. You figure the withholding based on the total of \$3,000. The correct withholding from the tables is \$346.

Example 2. You pay Sharon Warren a base salary on the 1st of each month. She is single and claims one allowance. Her May 1, 2007, pay is \$2,000. Using the wage bracket tables, you withhold \$196. On May 14, 2007, she receives a bonus of \$2,000. Electing to use supplemental payment method 1-b, you:

1. Add the bonus amount to the amount of wages from the most recent pay date ($\$2,000 + \$2,000 = \$4,000$),
2. Determine the amount of withholding on the combined \$4,000 amount to be \$591 using the wage bracket tables,
3. Subtract the amount withheld from wages on the most recent pay date from the combined withholding amount ($\$591 - \$196 = \$395$, and
4. Withhold \$395 from the bonus payment.

Example 3. The facts are the same as in Example 2, except that you elect to use the flat rate method of withholding on the bonus. You withhold 25% of \$2,000, or \$500, from Sharon's bonus payment.

Tips treated as supplemental wages. Withhold income tax on tips from wages or from other funds that the employee makes available. If an employee receives regular wages and reports tips, figure income tax withholding as if the tips were supplemental wages. If you have not withheld income tax from the regular wages, add the tips to the regular wages. Then withhold income tax on the total. If you withheld income tax from the regular wages, you can withhold on the tips by method 1-a or 1-b above.

Vacation pay. Vacation pay is subject to withholding as if it were a regular wage payment. When vacation pay is in addition to regular wages for the vacation period, treat it as a supplemental wage payment. If the vacation pay is for a time longer than your usual payroll period, spread it over the pay periods for which you pay it.

8. Payroll Period

Your payroll period is a period of service for which you usually pay wages. When you have a regular payroll period, withhold income tax for that time period even if your employee does not work the full period.

No regular payroll period. When you do not have a regular payroll period, withhold the tax as if you paid wages for a daily or miscellaneous payroll period. Figure the number of days (including Sundays and holidays) in the period covered by the wage payment. If the wages are unrelated to a specific length of time (for example, commissions paid on completion of a sale), count back the number of days from the payment period to the latest of:

- The last wage payment made during the same calendar year,
- The date employment began, if during the same calendar year, or
- January 1 of the same year.

Employee paid for period less than 1 week. When you pay an employee for a period of less than one week, and the employee signs a statement under penalties of perjury indicating that he or she is not working for any other employer during the same week for wages subject to withholding, figure withholding based on a weekly payroll period. If the employee later begins to work for another employer for wages subject to withholding, the employee must notify you within 10 days. You then figure withholding based on the daily or miscellaneous period.

9. Withholding From Employees' Wages

Income Tax Withholding

Using Form W-4 to figure withholding. To know how much federal income tax to withhold from employees' wages, you should have a Form W-4, Employee's Withholding Allowance Certificate, on file for each employee. Encourage your employees to file an updated Form W-4 for 2007, especially if they owed taxes or received a large refund when filing their 2006 tax return. Advise your employees to use the Withholding Calculator on the IRS website at www.irs.gov/individuals for help in determining how many withholding allowances to claim on their Forms W-4.

Ask all new employees to give you a signed Form W-4 when they start work. Make the form effective with the first wage payment. If a new employee does not give you a completed Form W-4, withhold income tax as if he or she is single, with no withholding allowances.

Form in Spanish. You can provide Forma W-4(SP), Certificado de Exención de la Retención del(la) Empleado(a), in place of Form W-4, Employee's Withholding Allowance Certificate, to your Spanish-speaking employees. For more information, see Publication 579SP, *Cómo Preparar la Declaración de Impuesto Federal*.

Electronic system to receive Form W-4. You may establish a system to electronically receive Forms W-4 from your employees. See Regulations section 31.3402(f)(5)-1(c) for more information.

Effective date of Form W-4. A Form W-4 remains in effect until the employee gives you a new one. When you receive a new Form W-4 from an employee, do not adjust withholding for pay periods before the effective date of the new form. If an employee gives you a Form W-4 that replaces an existing Form W-4, begin withholding no later than the start of the first payroll period ending on or after the 30th day from the date when you received the replacement Form W-4. For exceptions, see *Exemption from federal income tax withholding*, *IRS review of Forms W-4*, and *Invalid Forms W-4* later.



A Form W-4 that makes a change for the next calendar year will not take effect in the current calendar year.

Successor employer. If you are a successor employer (see *Successor employer* on page 16), secure new Forms W-4 from the transferred employees unless the "Alternative Procedure" in section 5 of Revenue Procedure 2004-53 applies. You can find Rev. Proc. 2004-53 on page 320 of Internal Revenue Bulletin 2004-34 at www.irs.gov/pub/irs-irbs/irb04-34.pdf.

Completing Form W-4. The amount of any federal income tax withholding must be based on marital status and withholding allowances. Your employees may not base their withholding amounts on a fixed dollar amount or percentage. However, an employee may specify a dollar amount to be withheld in addition to the amount of withholding based on filing status and withholding allowances claimed on Form W-4.

Employees may claim fewer withholding allowances than they are entitled to claim. They may wish to claim fewer allowances to ensure that they have enough withholding or to offset the tax on other sources of taxable income that are not subject to adequate withholding.

See Publication 505, *Tax Withholding and Estimated Tax*, for more information about completing Form W-4. Along with Form W-4, you may wish to order Publication 505 and Publication 919, *How Do I Adjust My Tax Withholding*, for use by your employees.

Do not accept any withholding or estimated tax payments from your employees in addition to withholding based on their Form W-4. If they require additional withholding, they should submit a new Form W-4 and, if necessary, pay estimated tax by filing Form 1040-ES, *Estimated Tax for Individuals*.

Exemption from federal income tax withholding. Generally, an employee may claim exemption from federal income tax withholding because he or she had no income tax liability last year and expects none this year. See the Form W-4 instructions for more information. However, the wages are still subject to social security and Medicare taxes. See also *Invalid Forms W-4* later.

A Form W-4 claiming exemption from withholding is valid for only one calendar year. To continue to be exempt from withholding in the next year, an employee must give you a new Form W-4 by February 15 of that year. If the employee does not give you a new Form W-4, withhold tax as if the employee is single with zero withholding allowances or withhold based on the last valid Form W-4 you have for the employee.

Withholding income taxes on the wages of nonresident alien employees. In general, you must withhold federal income taxes on the wages of nonresident alien employees. However, see Publication 515 for exceptions to this general rule. You must add an amount as set forth in the chart below to the nonresident alien's wages solely for calculating the income tax withholding for each payroll period. You determine the amount to be withheld by applying the income tax withholding tables to the amount of wages paid plus the additional chart amount. For more information, see Notice 2005-76. You can find Notice 2005-76 on page 947 of Internal Revenue Bulletin 2005-46 at www.irs.gov/pub/irs-irbs/irb05-46.pdf.



Nonresident alien students from India and business apprentices from India are not subject to this procedure.

The amount to be added to the nonresident alien's wages to calculate income tax withholding is set forth in the following chart.

Amount to Add to Nonresident Alien Employee's Wages for Calculating Income Tax Withholding Only

<u>Payroll Period</u>	<u>Add Additional</u>
Weekly	\$ 51.00
Biweekly	102.00
Semimonthly	110.00
Monthly	221.00
Quarterly	663.00
Semiannually	1,325.00
Annually	2,650.00
Daily or Miscellaneous (each day of the payroll period)	10.20

The amounts added under this chart are added to wages solely for calculating income tax withholding on the wages of the nonresident alien employee. These chart

amounts should not be included in any box on the employee's Form W-2 and do not increase the income tax liability of the employee. Also, these chart amounts do not increase the social security, Medicare, or FUTA tax liability of the employer or the employee.

This procedure only applies to nonresident alien employees who have wages subject to income tax withholding.

Example. An employer using the percentage method of withholding pays wages of \$500 for a biweekly payroll period to a married nonresident alien employee. The nonresident alien has properly completed Form W-4, entering marital status as "single" with one withholding allowance and indicating status as a nonresident alien on line 6 of Form W-4 (see below). The employer determines the wages to be used in the withholding tables by adding to the \$500 amount of wages paid the amount of \$102 from the chart above (\$602 total). The employer then applies the applicable table (Table 2(a), the table for biweekly payroll period, single persons) by subtracting the applicable percentage method amount for one withholding allowance for a biweekly payroll period from \$602 and making the calculations according to the table.

The \$102 added to wages for purposes of calculating income tax withholding is not reported on Form W-2, and does not increase the income tax liability of the employee. The \$102 added amount also does not affect the social security tax, Medicare tax, or FUTA tax liability of the employer or the employee.

Supplemental wage payment. This procedure for determining the amount of income tax withholding does not apply to a supplemental wage payment (see section 7) if the 35 percent mandatory flat rate withholding applies or if the 25 percent flat rate withholding is being used to calculate income tax withholding on the supplemental wage payment.

Nonresident alien employee's Form W-4. When completing Forms W-4, nonresident aliens are required to:

- Not claim exemption from income tax withholding,
- Request withholding as if they are single, regardless of their actual marital status,
- Claim only one allowance (if the nonresident alien is a resident of Canada, Mexico, or Korea, he or she may claim more than one allowance), and
- Write "Nonresident Alien" or "NRA" above the dotted line on line 6 of Form W-4.

If you maintain an electronic Form W-4 system, you should provide a field for nonresident aliens to enter nonresident alien status in lieu of writing "Nonresident Alien" or "NRA" above the dotted line on line 6.



Nonresident alien employees are no longer required to request additional withholding in the box for Line 6 on Form W-4 because this requirement has been replaced by the new requirement to base withholding on the additional amounts specified above. However, a nonresident alien employee may request additional withholding at his or her option for other purposes, although such additions should not be necessary for withholding to cover federal income tax liability related to employment.

Form 8233. If a nonresident alien employee claims a tax treaty exemption from withholding, the employee must submit Form 8233, Exemption from Withholding or Compensation for Independent (and Certain Dependent) Personal Services of a Nonresident Alien Individual, with

respect to the income exempt under the treaty, instead of Form W-4. See Publication 515 for details.

IRS review of Forms W-4. When requested by the IRS, you must make original Forms W-4 available for inspection by an IRS employee. You may also be directed to send certain Forms W-4 to the IRS. You may receive a letter from the IRS requiring you to submit a copy of Form W-4 for one or more of your named employees. (When we refer to Form W-4, the same rules apply to Forma W-4(SP), its Spanish translation.) Send the requested copy or copies of Form W-4 to the IRS at the address provided and in the manner directed by the letter. The IRS may also require you to submit copies of Form W-4 to the IRS as directed by a revenue procedure or notice published in the Internal Revenue Bulletin.

After submitting a copy of Form W-4 to the IRS, continue to withhold federal income tax based on that Form W-4 if it is valid (see *Invalid Forms W-4* below). However, if the IRS later notifies you in writing that the employee is not entitled to claim exemption from withholding or a claimed number of withholding allowances, withhold federal income tax based on the effective date and maximum number of withholding allowances specified in the notice (commonly referred to as a "lock-in letter").

Lock-in letter. The IRS also uses information reported on Form W-2, Wage and Tax Statement, to identify employees with withholding compliance problems. In some cases, if a serious under-withholding problem is found to exist for a particular employee, the IRS may issue a lock-in letter to the employer specifying the maximum number of withholding allowances permitted for a specific employee.

After the IRS issues a lock-in letter, if the employee wants to claim complete exemption from withholding or claim a number of withholding allowances more than the maximum number specified by the IRS in the lock-in letter, the employee must submit a new Form W-4 and a written statement to support the claims made by the employee on the Form W-4 to the IRS.

If, after you receive the lock-in letter, your employee provides you with a subsequent Form W-4 that does not claim exemption from federal income tax withholding and claims fewer allowances than the number shown in the lock-in letter (resulting in more withholding) withhold based on the subsequent Form W-4 if it is a valid form. Otherwise, disregard any subsequent Forms W-4 provided by the employee and withhold based on the lock-in letter. For additional information about these new rules, see Treasury Decision 9196. You can find Treasury Decision 9196 on page 1,000 of Internal Revenue Bulletin 2005-19 at www.irs.gov/pub/irs-irbs/irb05-19.pdf.

Substitute Forms W-4. You are encouraged to have your employees use the official version of Form W-4 to claim withholding allowances or exemption from withholding. Call the IRS at 1-800-829-3676 or visit the IRS website at www.irs.gov to obtain copies of Form W-4.

You may use a substitute version of Form W-4 to meet your business needs. However, your substitute Form W-4 must contain language that is identical to the official Form W-4 and your form must meet all current IRS rules for substitute forms. At the time that you provide your substitute form to the employee, you must provide him or her with all tables, instructions, and worksheets from the current Form W-4. You may refuse to accept a substitute form developed by an employee.

You may require the employee to use the official Form W-4 or your substitute version. See Treasury Decision 9196 for details.

Invalid Forms W-4. Any unauthorized change or addition to Form W-4 makes it invalid. This includes taking out any language by which the employee certifies that the form is correct. A Form W-4 is also invalid if, by the date an

employee gives it to you, he or she indicates in any way that it is false. An employee who submits a false Form W-4 may be subject to a \$500 penalty. You may treat a Form W-4 as invalid if the employee wrote "exempt" on line 7 and also entered a number on line 5 or an amount on line 6.

When you get an invalid Form W-4, do not use it to figure federal income tax withholding. Tell the employee that it is invalid and ask for another one. If the employee does not give you a valid one, withhold taxes as if the employee was single and claiming no withholding allowances. However, if you have an earlier Form W-4 for this worker that is valid, withhold as you did before.

Amounts exempt from levy on wages, salary, and other income. If you receive a Notice of Levy on Wages, Salary, and Other Income (Forms 668-W(c), or 668-W(c)(DO)), you must withhold amounts as described in the instructions for these forms. Publication 1494, Table for Figuring Amount Exempt From Levy on Wages, Salary, and Other Income (Forms 668-W(c), 668-W(c)(DO), and 668-W(ICS)) 2007, shows the exempt amount. If a levy issued in a prior year is still in effect and the taxpayer submits a new Statement of Exemptions and Filing Status, use the current year Publication 1494 to compute the exempt amount.

Social Security and Medicare Taxes

The Federal Insurance Contributions Act (FICA) provides for a federal system of old-age, survivors, disability, and hospital insurance. The old-age, survivors, and disability insurance part is financed by the social security tax. The hospital insurance part is financed by the Medicare tax. Each of these taxes is reported separately.

Generally, you are required to withhold social security and Medicare taxes from your employees' wages and you must also pay a matching amount of these taxes. Certain types of wages and compensation are not subject to social security and Medicare taxes. See sections 5 and 15 for details. Generally, employee wages are subject to social security and Medicare taxes regardless of the employee's age or whether he or she is receiving social security benefits. If the employee reported tips, see section 6.

Tax rates and the social security wage base limit. Social security and Medicare taxes have different rates and only the social security tax has a wage base limit. The wage base limit is the maximum wage that is subject to the tax for the year. Determine the amount of withholding for social security and Medicare taxes by multiplying each payment by the employee tax rate. There are no withholding allowances for social security and Medicare taxes.

The employee tax rate for social security is 6.2% (amount withheld). The employer tax rate for social security is also 6.2% (12.4% total). The 2006 wage base limit was \$94,200. For 2007, the wage base limit is \$97,500.

The employee tax rate for Medicare is 1.45% (amount withheld). The employer tax rate for Medicare tax is also 1.45% (2.9% total). There is no wage base limit for Medicare tax; all covered wages are subject to Medicare tax.

Successor employer. If you received all or most of the property used in the trade or business of another employer, or a unit of that employer's trade or business, you may include the wages that the other employer paid to your acquired employees before the transfer of property when you figure the annual wage base limit for social security. You should determine whether or not you should file Schedule D (Form 941), Report of Discrepancies Caused by Acquisitions, Statutory Mergers, or Consolidations, by reviewing the Instructions for Schedule D (Form 941). See Regulations section 31.3121(a)(1)-1(b) for more information. Also see Rev. Proc. 2004-53 for more information. You can find Rev. Proc. 2004-53 on page 320 of Internal

Revenue Bulletin 2004-34 at www.irs.gov/pub/irs-irbs/irb04-34.pdf.

Example. Early in 2007, you bought all of the assets of a plumbing business from Mr. Martin. Mr. Brown, who had been employed by Mr. Martin and received \$2,000 in wages before the date of purchase, continued to work for you. The wages that you paid to Mr. Brown are subject to social security taxes on the first \$95,500 (\$97,500 minus \$2,000). Medicare tax is due on all of the wages that you pay him during the calendar year.

Withholding of social security and Medicare taxes on nonresident aliens. In general, if you pay wages to nonresident alien employees, you must withhold federal social security and Medicare taxes as you would for a U.S. citizen. However, see Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, for exceptions to this general rule.

International social security agreements. The United States has social security agreements with many countries that eliminate dual taxation and dual coverage. Compensation subject to social security and Medicare taxes may be exempt under one of these agreements. You can get more information and a list of agreement countries from SSA at www.socialsecurity.gov/international or see section 7 of Publication 15-A, Employer's Supplemental Tax Guide.

Religious exemption. An exemption from social security and Medicare taxes is available to members of a recognized religious sect opposed to insurance. This exemption is available only if both the employee and the employer are members of the sect.

For more information, see Publication 517, Social Security and Other Information for Members of the Clergy and Religious Workers.

Part-Time Workers

For federal income tax withholding and social security, Medicare, and federal unemployment (FUTA) tax purposes, there are no differences among full-time employees, part-time employees, and employees hired for short periods. It does not matter whether the worker has another job or has the maximum amount of social security tax withheld by another employer. Income tax withholding may be figured the same way as for full-time workers. Or it may be figured by the part-year employment method explained in section 9 of Publication 15-A.

10. Advance Earned Income Credit (EIC) Payment

An employee who expects to be eligible for the earned income credit (EIC) and expects to have a qualifying child is entitled to receive EIC payments with his or her pay during the year. To get these payments, the employee must provide to you a properly completed Form W-5 (or Form W-5(SP), its Spanish translation), Earned Income Credit Advance Payment Certificate, using either the paper form or an approved electronic format. You are required to make advance EIC payments to employees who give you a completed and signed Form W-5. You may establish a system to electronically receive Forms W-5 from your employees. See Announcement 99-3 for information on electronic requirements for Form W-5. You can find Announcement 99-3 on page 15 of Internal Revenue Bulletin 1999-3 at www.irs.gov/pub/irs-irbs/irb99-03.pdf.

Certain employees who do not have a qualifying child may be able to claim the EIC on their tax return. However, they cannot get advance EIC payments.

For 2007, the advance payment can be as much as \$1,712. The tables that begin on page 59 reflect that limit.

Form W-5. Form W-5 explains the eligibility requirements for receiving advance EIC payments. On Form W-5, an employee states that he or she expects to be eligible to claim the EIC and shows whether he or she has another Form W-5 in effect with any other current employer. The employee also shows the following:

- Whether he or she expects to have a qualifying child.
- Whether he or she will file a joint return.
- If the employee is married, whether his or her spouse has a Form W-5 in effect with any employer.

An employee may have only one certificate in effect with a current employer at one time. If an employee is married and his or her spouse also works, each spouse should file a separate Form W-5.

Length of effective period. Form W-5 is effective for the first payroll period ending on or after the date the employee gives you the form (or the first wage payment made without regard to a payroll period). It remains in effect until the end of the calendar year unless the employee revokes it or files another one. Eligible employees must file a new Form W-5 each year.

Change of status. If an employee gives you a signed Form W-5 and later becomes ineligible for advance EIC payments, he or she must revoke Form W-5 within 10 days after learning about the change of circumstances. The employee must give you a new Form W-5 stating that he or she is no longer eligible for or no longer wants advance EIC payments.

If an employee's situation changes because his or her spouse files a Form W-5, the employee must file a new Form W-5 showing that his or her spouse has a Form W-5 in effect with an employer. This will reduce the maximum amount of advance payments that you can make to that employee.

If an employee's spouse has filed a Form W-5 that is no longer in effect, the employee may file a new Form W-5 with you, but is not required to do so. A new form will certify that the spouse does not have a Form W-5 in effect and will increase the maximum amount of advance payments you can make to that employee.

Invalid Form W-5. The Form W-5 is invalid if it is incomplete, unsigned, or has an alteration or unauthorized addition. The form has been altered if any of the language has been deleted. Any writing added to the form other than the requested entries is an unauthorized addition.

You should consider a Form W-5 invalid if an employee has made an oral or written statement that clearly shows the Form W-5 to be false. If you receive an invalid form, tell the employee that it is invalid as of the date that he or she made the oral or written statement. For advance EIC payment purposes, the invalid Form W-5 is considered void.

You are not required to determine if a completed and signed Form W-5 is correct. However, you should contact the IRS if you have reason to believe that it contains an incorrect statement.

How to figure the advance EIC payment. To figure the amount of the advance EIC payment to include with the employee's pay, you must consider:

- Wages, including reported tips, for the same period. Generally, figure advance EIC payments using the amount of wages subject to income tax withholding.

If an employee's wages are not subject to income tax withholding, use the amount of wages subject to withholding for social security and Medicare taxes.

- Whether the employee is married or single.
- Whether a married employee's spouse has a Form W-5 in effect with an employer.

Do not consider combat zone pay received by the employee and excluded from income as earned income when figuring the advance EIC payment.

Figure the amount of advance EIC to include in the employee's pay by using the tables that begin on page 59. There are separate tables for employees whose spouses have a Form W-5 in effect. See page 35 for instructions on using the advance EIC payment tables.



The amount of advance EIC paid to an employee during 2007 cannot exceed \$1,712. If during the year you have paid an employee total wages of at least \$33,241 (\$35,241 if married filing jointly), you must also stop making advance EIC payments to that employee for the rest of the year.

Paying the advance EIC to employees. An advance EIC payment is not subject to withholding of income, social security, or Medicare taxes. An advance EIC payment does not change the amount of income, social security, or Medicare taxes that you withhold from the employee's wages. You add the EIC payment to the employee's **net** pay for the pay period. At the end of the year, you show the total advance EIC payments in box 9 on Form W-2. Do not include this amount as wages in box 1.

Employer's returns. Show the total payments that you made to employees on the advance EIC payments line (line 9) of your Form 941 (line 8 of Form 944). Subtract this amount from your total taxes on line 8 (line 7 of Form 944). See the separate Instructions for Form 941 (or the separate Instructions for Form 944). Reduce the amounts reported on line 15 of Form 941 or on appropriate lines of Schedule B (Form 941), Report of Tax Liability for Semi-weekly Schedule Depositors, by any advance EIC paid to your employees.

Generally, employers will make the advance EIC payment from withheld income tax and employee and employer social security and Medicare taxes. These taxes are normally required to be paid over to the IRS either through federal tax deposits or with employment tax returns. For purposes of deposit due dates, advance EIC payments are treated as deposits of these taxes on the day that you pay wages (including the advance EIC payment) to your employees. The payments are treated as deposits of these taxes in the following order: (1) income tax withholding, (2) withheld employee social security and Medicare taxes, and (3) the employer's share of social security and Medicare taxes.

Example. You have 10 employees, each entitled to an advance EIC payment of \$10. The total amount of advance EIC payments that you make for the payroll period is \$100. The total amount of income tax withholding for the payroll period is \$90. The total employee and employer social security and Medicare taxes for the payroll period is \$122.60 (\$61.30 each).

You are considered to have made a deposit of \$100 advance EIC payment on the day that you paid wages. The \$100 is treated as if you deposited the \$90 total income tax withholding and \$10 of the employee social security and Medicare taxes. You remain liable for depositing the remaining \$112.60 of the social security and Medicare taxes (\$51.30 + \$61.30 = \$112.60).

Advance EIC payments more than taxes due. For any payroll period, if the total advance EIC payments are more than the total payroll taxes (withheld income tax and both employee and employer shares of social security and Medicare taxes), you may choose either to:

1. Reduce each employee's advance payment proportionally so that the total advance EIC payments equal the amount of taxes due or
2. Make full payment of the advance EIC and treat the excess as an advance payment of employment taxes.

Example. You have 10 employees who are each entitled to an advance EIC payment of \$10. The total amount of advance EIC payable for the payroll period is \$100. The total employment tax for the payroll period is \$90 (including income tax withholding and social security and Medicare taxes). The advance EIC payable is \$10 more than the total employment tax. The \$10 excess is 10% of the advance EIC payable (\$100). You may—

- Reduce each employee's payment by 10% (to \$9 each) so that the advance EIC payments equal your total employment tax (\$90) or
- Pay each employee \$10, and treat the excess \$10 as an advance payment of employment taxes. See the Instructions for Form 941 (or the Instructions for Form 944) for reporting details.

U.S. possessions. If you are in American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, or the U.S. Virgin Islands, consult your local tax office for information on the EIC. You cannot take advance EIC payments into account on Form 941-SS or Form 944-SS.

Required Notice to Employees

You must notify employees who have no federal income tax withheld that they may be able to claim a tax refund because of the EIC. Although you do not have to notify employees who claim exemption from withholding on Form W-4, Employee's Withholding Allowance Certificate, about the EIC, you are encouraged to notify any employees whose wages for 2006 were less than \$36,348 (\$38,348 if married filing jointly) that they may be eligible to claim the credit for 2006. This is because eligible employees may get a refund of the amount of EIC that is more than the tax that they owe.

You will meet this notification requirement if you issue the employee Form W-2 with the EIC notice on the back of Copy B, or a substitute Form W-2 with the same statement. You will also meet the requirement by providing Notice 797, Possible Federal Tax Refund Due to the Earned Income Credit (EIC), or your own statement that contains the same wording.

If a substitute for Form W-2 is given to the employee on time but does not have the required statement, you must notify the employee within 1 week of the date that the substitute for Form W-2 is given. If Form W-2 is required but is not given on time, you must give the employee Notice 797 or your written statement by the date that Form W-2 is required to be given. If Form W-2 is not required, you must notify the employee by February 7, 2007.

11. Depositing Taxes

In general, you must deposit federal income tax withheld and both the employer and employee social security and Medicare taxes plus or minus any prior period adjustments

to your tax liability (minus any advance EIC payments). You must deposit by using the Electronic Federal Tax Payment System (EFTPS) or by mailing or delivering a check, money order, or cash with Form 8109, Federal Tax Deposit Coupon, to a financial institution that is an authorized depository for federal taxes. Some taxpayers are required to deposit using EFTPS. See *How To Deposit* on page 21 for information on electronic deposit requirements for 2007.

Payment with return. You may make a payment with Form 941 or Form 944 instead of depositing if one of the following applies.

- You report less than a \$2,500 tax liability for the quarter on line 10 of Form 941 (or for the year on line 9 of Form 944), and you pay in full with a timely filed return. (However, if you are unsure that you will report less than \$2,500, deposit under the appropriate rules so that you will not be subject to failure-to-deposit penalties.)
- You are a monthly schedule depositor (defined below) and make a payment in accordance with the *Accuracy of Deposits Rule* discussed on page 21. This payment may be \$2,500 or more.

Employers who have been notified to file Form 944 can pay their fourth quarter tax liability with a timely filed return if the fourth quarter tax liability is less than \$2,500. Employers must have deposited any tax liability due for the first, second, and third quarters according to the deposit rules to avoid failure-to-deposit penalties for deposits during those quarters.

Separate deposit requirements for nonpayroll (Form 945) tax liabilities. Separate deposits are required for nonpayroll and payroll income tax withholding. Do not combine deposits for Forms 941 (or Form 944) and 945 tax liabilities. Generally, the deposit rules for nonpayroll liabilities are the same as discussed below, except that the rules apply to an annual rather than a quarterly return period. Thus, the \$2,500 threshold for the deposit requirement discussed above applies to Form 945 on an annual basis. See the separate Instructions for Form 945 for more information.

When To Deposit

There are two deposit schedules—monthly or semi-weekly—for determining when you deposit social security, Medicare, and withheld income taxes. These schedules tell you when a deposit is due after a tax liability arises (for example, when you have a payday). Before the beginning of each calendar year, you must determine which of the two deposit schedules that you are required to use. The deposit schedule that you must use is based on the total tax liability that you reported on Form 941 during a lookback period discussed below. Your deposit schedule is not determined by how often you pay your employees or make deposits. See special rules for Forms 944 and 945 below. See *Application of Monthly and Semiweekly Schedules* on page 20.

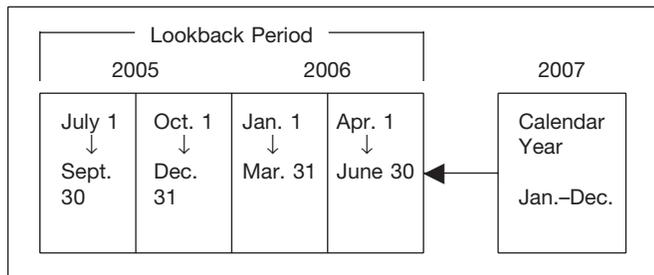


These rules do not apply to federal unemployment (FUTA) tax. See section 14 for information on depositing FUTA tax.

Lookback period. If you are a Form 941 filer, your deposit schedule for a calendar year is determined from the total taxes (that is, not reduced by any advance EIC payments) reported on line 8 of your Forms 941 in a four-quarter lookback period. The lookback period begins July 1 and ends June 30 as shown in Table 1 below. If you

reported \$50,000 or less of taxes for the lookback period, you are a monthly schedule depositor; if you reported more than \$50,000, you are a semiweekly schedule depositor.

Table 1. Lookback Period for Calendar Year 2007



If you are a Form 944 filer, your deposit schedule for a calendar year is determined from the total taxes (that is, not reduced by any advance EIC payments) reported on line 8 of your Form 941 for all four quarters of the second preceding calendar year. The lookback period for 2007 for a Form 944 filer is calendar year 2005.

If you are a Form 945 filer, your deposit schedule for a calendar year is determined from the total taxes reported on line 4 of your Form 945 for the second preceding calendar year. The lookback period for 2007 for a Form 945 filer is calendar year 2005.

Adjustments and the lookback rule. Determine your tax liability for the four quarters in the lookback period based on the tax liability as reported on your Form 941. If you made adjustments to correct errors on previously filed Forms 941, these adjustments do not affect the amount of tax liability for purposes of the lookback rule.

If you report adjustments on your current Form 941 (or Form 944) to correct errors on prior returns, include these adjustments as part of your tax liability for the current quarter and adjust your deposits accordingly. If you filed Form 843 to claim a refund for a prior period overpayment, your tax liability does not change for either the prior period or the current period for purposes of the lookback rule.

Example. An employer originally reported a tax liability of \$45,000 for the lookback period. The employer discovered during January 2007 that the tax during one of the lookback period quarters was understated by \$10,000 and corrected this error with an adjustment on the 2007 first quarter return. This employer is a monthly schedule depositor for 2007 because the lookback period tax liabilities are based on the amounts originally reported, and they were \$50,000 or less. The \$10,000 adjustment is part of the 2007 first quarter tax liability.

Deposit period. The term deposit period refers to the period during which tax liabilities are accumulated for each required deposit due date. For monthly schedule depositors, the deposit period is a calendar month. The deposit periods for semiweekly schedule depositors are Wednesday through Friday and Saturday through Tuesday.

Monthly Deposit Schedule

You are a monthly schedule depositor for a calendar year if the total taxes on line 8 of Form 941 for the four quarters in your lookback period were \$50,000 or less. **Under the**

monthly deposit schedule, deposit employment taxes on payments made during a month by the 15th day of the following month. See also *Deposits on Banking Days Only* later.

Monthly schedule depositors should not file Form 941 or Form 944 on a monthly basis. Also, do not file Form 941-M, Employer's Monthly Federal Tax Return, unless you are instructed to do so by an IRS representative.

New employers. Your tax liability for any quarter in the lookback period before you started or acquired your business is considered to be zero. Therefore, you are a monthly schedule depositor for the first calendar year of your business. However, see the *\$100,000 Next-Day Deposit Rule* on page 20.

Semiweekly Deposit Schedule

You are a semiweekly schedule depositor for a calendar year if the total taxes on line 8 of Form 941 during your lookback period were more than \$50,000. Under the semiweekly deposit schedule, deposit employment taxes for payments made on Wednesday, Thursday, and/or Friday by the following Wednesday. Deposit taxes for payments made on Saturday, Sunday, Monday, and/or Tuesday by the following Friday. See also *Deposits on Banking Days Only* later.

Note. Semiweekly schedule depositors must complete Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors, and submit it with Form 941. If you must file Form 944 and are a semiweekly schedule depositor, complete Form 945-A, Annual Record of Federal Tax Liability, and submit it with your return (instead of Schedule B).

Table 2. Semiweekly Deposit Schedule

IF the payday falls on a . . .	THEN deposit taxes by the following . . .
Wednesday, Thursday, and/or Friday	Wednesday
Saturday, Sunday, Monday, and/or Tuesday	Friday

Semiweekly deposit period spanning two quarters. If you have more than one pay date during a semiweekly period and the pay dates fall in different calendar quarters, you will need to make **separate deposits** for the separate liabilities.

Example 1. If you have a pay date on Saturday, September 29, 2007 (third quarter), and another pay date on Tuesday, October 2, 2007, (fourth quarter), two separate deposits would be required even though the pay dates fall within the same semiweekly period. Both deposits would be due Friday, October 5, 2007 (three banking days from the end of the semiweekly deposit period).

Example 2. If you made a payment on both Wednesday and Friday and incurred taxes of \$10,000 for each pay date, deposit the \$20,000 on the following Wednesday. If you made no additional payments on Saturday through Tuesday, no deposit is due on the following Friday.

Summary of Steps To Determine Your Deposit Schedule

1. Identify your lookback period (see *Lookback period* earlier).
2. Add the total taxes from line 8, Form 941 you reported during the lookback period.
3. Determine if you are a monthly or semiweekly schedule depositor:

If the total taxes you reported in the lookback period were . . .	Then you are a . . .
\$50,000 or less	Monthly Schedule Depositor
More than \$50,000	Semiweekly Schedule Depositor

Example of Monthly and Semiweekly Schedules

Rose Co. reported Form 941 taxes as follows:

2006 Lookback Period		2007 Lookback Period	
3rd Quarter 2004	\$12,000	3rd Quarter 2005	\$12,000
4th Quarter 2004	\$12,000	4th Quarter 2005	\$12,000
1st Quarter 2005	\$12,000	1st Quarter 2006	\$12,000
2nd Quarter 2005	\$12,000	2nd Quarter 2006	\$15,000
	\$48,000		\$51,000

Rose Co. is a monthly schedule depositor for 2006 because its tax liability for the four quarters in its lookback period (third quarter 2004 through second quarter 2005) was not more than \$50,000. However, for 2007, Rose Co. is a semiweekly schedule depositor because the total taxes exceeded \$50,000 for the four quarters in its lookback period (third quarter 2005 through second quarter 2006).

Deposits on Banking Days Only

If a deposit is required to be made on a day that is not a banking day, the deposit is considered timely if it is made by the close of the next banking day. In addition to federal and state bank holidays, Saturdays and Sundays are treated as nonbanking days. For example, if a deposit is required to be made on a Friday and Friday is not a banking day, the deposit will be considered timely if it is made by the following Monday (if that Monday is a banking day).

Semiweekly schedule depositors have at least 3 banking days to make a deposit. That is, if any of the 3 weekdays after the end of a semiweekly period is a banking holiday, you will have 1 additional banking day to deposit. For example, if a semiweekly schedule depositor accumulated taxes for payments made on Friday and the following Monday is not a banking day, the deposit normally due on Wednesday may be made on Thursday (allowing 3 banking days to make the deposit).

Application of Monthly and Semiweekly Schedules

The terms "monthly schedule depositor" and "semiweekly schedule depositor" do not refer to how often your business pays its employees or even how often you are required to make deposits. The terms identify which set of deposit rules that you must follow when an employment tax liability arises. The deposit rules are based on the dates

when wages are paid (for example, cash basis); not on when tax liabilities are accrued for accounting purposes.

Monthly schedule example. Spruce Co. is a monthly schedule depositor with seasonal employees. It paid wages each Friday. During March it paid wages but did not pay any wages during April. Under the monthly deposit schedule, Spruce Co. must deposit the combined tax liabilities for the four March paydays by April 15. Spruce Co. does not have a deposit requirement for April (due by May 15) because no wages were paid and, therefore, it did not have a tax liability for April.

Semiweekly schedule example. Green, Inc., which has a semiweekly deposit schedule, pays wages once each month on the last day of the month. Although Green, Inc., has a semiweekly deposit schedule, it will deposit just once a month because it pays wages only once a month. The deposit, however, will be made under the semiweekly deposit schedule as follows: Green, Inc.'s tax liability for the April 27, 2007 (Friday), payday must be deposited by May 2, 2007 (Wednesday). Under the semiweekly deposit schedule, liabilities for wages paid on Wednesday through Friday must be deposited by the following Wednesday.

\$100,000 Next-Day Deposit Rule

If you accumulate \$100,000 or more of taxes (that is, line 10 of Form 941 or line 9 of Form 944) on any day during a deposit period, you must deposit the tax by the next banking day, whether you are a monthly or semiweekly schedule depositor.

For purposes of the \$100,000 rule, do not continue accumulating a tax liability after the end of a deposit period. For example, if a semiweekly schedule depositor has accumulated a liability of \$95,000 on a Tuesday (of a Saturday-through-Tuesday deposit period) and accumulated a \$10,000 liability on Wednesday, the \$100,000 next-day deposit rule does not apply. Thus, \$95,000 must be deposited by Friday and \$10,000 must be deposited by the following Wednesday.

However, once you accumulate at least \$100,000 in a deposit period, stop accumulating at the end of that day and begin to accumulate anew on the next day. For example, Fir Co. is a semiweekly schedule depositor. On Monday, Fir Co. accumulates taxes of \$110,000 and must deposit this amount on Tuesday, the next banking day. On Tuesday, Fir Co. accumulates additional taxes of \$30,000. Because the \$30,000 is not added to the previous \$110,000 and is less than \$100,000, Fir Co. must deposit the \$30,000 by Friday (following the semiweekly deposit schedule).



If you are a monthly schedule depositor and accumulate a \$100,000 tax liability on any day, you become a semiweekly schedule depositor on the next day and remain so for at least the rest of the calendar year and for the following calendar year.

Example. Elm, Inc., started its business on April 2, 2007. On April 13, it paid wages for the first time and accumulated a tax liability of \$40,000. On Friday, April 20, 2007, Elm, Inc., paid wages and accumulated a liability of \$60,000, bringing its accumulated tax liability to \$100,000. Because this was the first year of its business, the tax liability for its lookback period is considered to be zero, and it would be a monthly schedule depositor based on the lookback rules. However, since Elm, Inc., accumulated a \$100,000 liability on April 20, it became a semiweekly schedule depositor on April 21. It will be a semiweekly schedule depositor for the remainder of 2007 and for 2008. Elm, Inc., is required to deposit the \$100,000 by Monday, April 23, the next banking day.

Accuracy of Deposits Rule

You are required to deposit 100% of your tax liability on or before the deposit due date. However, penalties will not be applied for depositing less than 100% if both of the following conditions are met.

- Any deposit shortfall does not exceed the greater of \$100 or 2% of the amount of taxes otherwise required to be deposited and
- The deposit shortfall is paid or deposited by the shortfall makeup date as described below.

Makeup Date for Deposit Shortfall:

1. **Monthly schedule depositor.** Deposit the shortfall or pay it with your return by the due date of your return for the return period in which the shortfall occurred. You may pay the shortfall with your return even if the amount is \$2,500 or more.
2. **Semiweekly schedule depositor.** Deposit by the earlier of:
 - a. The first Wednesday or Friday (whichever comes first) that falls on or after the 15th of the month following the month in which the shortfall occurred or
 - b. The due date of your return (for the return period of the tax liability).

For example, if a semiweekly schedule depositor has a deposit shortfall during July 2007, the shortfall makeup date is August 15, 2007 (Wednesday). However, if the shortfall occurred on the required October 3 (Wednesday) deposit due date for a September 28 (Friday) pay date, the return due date for the September 28 pay date (October 31) would come before the November 14 (Wednesday) shortfall makeup date. In this case, the shortfall must be deposited by October 31.

How To Deposit

The two methods of depositing employment taxes, including Form 945 taxes, are discussed below. See *Payment with return* on page 18 for exceptions explaining when taxes may be paid with the tax return instead of being deposited.

Electronic deposit requirement. You must make electronic deposits of all depository taxes (such as employment tax, excise tax, and corporate income tax) using the Electronic Federal Tax Payment System (EFTPS) in 2007 if:

- Your total deposits of depository taxes in 2005 were more than \$200,000 or
- You were required to use EFTPS in 2006.

If you are required to use EFTPS and fail to do so, you may be subject to a 10% failure-to-deposit penalty. EFTPS is a free service provided by the Department of Treasury. If you are not required to use EFTPS, you may participate voluntarily. To get more information or to enroll in EFTPS, call 1-800-555-4477. You can also visit the EFTPS website at www.eftps.gov.

When you receive your EIN. If you are a new employer that indicated a federal tax obligation when requesting an EIN, you will be pre-enrolled in EFTPS. You will receive information in your Employer Identification Number (EIN) Package about Express Enrollment and an additional mailing containing your EFTPS personal identification number (PIN) and instructions for activating your PIN. Call the

toll-free number located in your "How to Activate Your Enrollment" brochure to activate your enrollment and begin making your payroll tax deposits. Be sure to tell your payroll provider about your EFTPS enrollment. Consider using EFTPS to make your other federal tax payments electronically as well. You should activate your EFTPS enrollment now even if you plan to deposit using FTD coupons (Form 8109) because it may take 5 to 6 weeks to receive the coupons and you may be required to make a deposit while waiting for them.

Depositing on time. For deposits made by EFTPS to be on time, you must initiate the transaction at least one business day before the date that the deposit is due.

Deposit record. For your records, an Electronic Funds Transfer (EFT) Trace Number will be provided with each successful payment. The number can be used as a receipt or to trace the payment.

Same day payment option. If you fail to initiate a deposit transaction on EFTPS at least 1 business day before the date a deposit is due, you can still make your deposit on time by using the Electronic Tax Application (ETA). ETA allows you to initiate the transaction and have the funds transferred from your financial institution on the same day. Enrollment in EFTPS automatically enrolls you in ETA. Instructions for using ETA are included in your EFTPS enrollment package. Business taxpayers can use ETA even if not enrolled, but may need help to have their financial institution use the proper format for making the payment. The guidelines for financial institutions for making payments using ETA can be found at www.frbsservices.org/Treasury/pdf/Sameday.pdf.

Making deposits with FTD coupons. If you are not making deposits by EFTPS, use Form 8109, Federal Tax Deposit Coupon, to make the deposits at an authorized financial institution.

For **new employers**, if you would like to receive a Federal Tax Deposit (FTD) coupon booklet, call 1-800-829-4933. Allow 5 to 6 weeks for delivery. Consider activating your enrollment in EFTPS now so that you can make timely deposits of payroll taxes while waiting for requested FTD coupons.

The IRS will keep track of the number of FTD coupons that you use and automatically will send you additional coupons when you need them. If you do not receive your resupply of FTD coupons, call 1-800-829-4933. You can have the FTD coupon books sent to a branch office, tax preparer, or service bureau that is making your deposits by showing that address on Form 8109-C, FTD Address Change, which is in the FTD coupon book. (Filing Form 8109-C will not change your address of record; it will change only the address where the FTD coupons are mailed.) The FTD coupons will be preprinted with your name, address, and EIN. They have entry boxes for indicating the type of tax and the tax period for which the deposit is made.

It is very important to clearly mark the correct type of tax and tax period on each FTD coupon. This information is used by the IRS to credit your account.

If you have branch offices depositing taxes, give them FTD coupons and complete instructions so that they can deposit the taxes when due.

Please use only **your** FTD coupons. If you use anyone else's FTD coupon, you may be subject to a failure-to-deposit penalty. This is because your account will be underpaid by the amount of the deposit credited to the other person's account. See *Deposit Penalties* below for penalty amounts.

How to deposit with an FTD coupon. Mail or deliver each FTD coupon and a single payment covering the taxes to be deposited to an authorized depository. An authorized

depository is a financial institution (for example, a commercial bank) that is authorized to accept federal tax deposits. Follow the instructions in the FTD coupon book. Make your check or money order payable to the depository. To help ensure proper crediting of your account, include your EIN, the type of tax (for example, Form 941), and the tax period to which the payment applies on your check or money order.

Authorized depositories must accept cash, a postal money order drawn to the order of the depository, or a check or draft drawn on and to the order of the depository. You may deposit taxes with a check drawn on another financial institution only if the depository is willing to accept that form of payment. Be sure that the financial institution where you make deposits is an authorized depository. Deposits made at an unauthorized institution may be subject to the failure-to-deposit penalty.

If you prefer, you may mail your coupon and payment to: Financial Agent, Federal Tax Deposit Processing, P.O. Box 970030, St. Louis, MO 63197. Make your check or money order payable to "Financial Agent."

Depositing on time. The IRS determines whether deposits are on time by the date that they are received by an authorized depository. To be considered timely, the funds must be available to the depository on the deposit due date before the institution's daily cutoff deadline. Contact your local depository for information concerning check clearance and cutoff schedules. However, a deposit received by the authorized depository after the due date will be considered timely if the taxpayer establishes that it was mailed in the United States in a properly addressed, postage prepaid envelope at least 2 days before the due date.



If you must deposit any taxes more than once a month, any deposit of \$20,000 or more must be received by the authorized depository by its due date to be timely. See section 7502(e)(3) for more information.

Depositing without an EIN. If you have applied for an EIN but have not received it and you must make a deposit, make the deposit with the IRS. Do not make the deposit at an authorized depository. Make it payable to the "United States Treasury" and show on it your name (as shown on Form SS-4), address, kind of tax, period covered, and date you applied for an EIN. Send your deposit with an explanation to the IRS office where you will file your return. IRS office addresses are in the instructions for your return and on the IRS website at www.irs.gov under "Where To File" for businesses. Use the "Without a payment" address. Do not use Form 8109-B, Federal Tax Deposit Coupon, in this situation.

Depositing without Form 8109. If you have an EIN but do not have a preprinted Form 8109, you may use Form 8109-B to make deposits. Form 8109-B is an over-the-counter FTD coupon that is not preprinted with your identifying information. You may get this form by visiting an IRS taxpayer assistance center. Be sure to have your EIN with you. You will not be able to obtain Form 8109-B by calling 1-800-TAX-FORM.

Use Form 8109-B to make deposits only if:

- You are a new employer and you have been assigned an EIN, but you have not received your initial supply of Forms 8109 or
- You have not received your resupply of preprinted Forms 8109.

Deposit record. For your records, a stub is provided with each FTD coupon in the coupon book. The FTD coupon itself will not be returned. It is used to credit your

account. Your cancelled check, bank receipt, or money order receipt is your deposit record.

How to claim credit for overpayments. If you deposited more than the right amount of taxes for a quarter, you can choose on Form 941 for that quarter (or on Form 944 for that year) to have the overpayment refunded or applied as a credit to your next return. Do not ask the depository or EFTPS to request a refund from the IRS for you.

Deposit Penalties



Although the deposit penalties information provided below refers specifically to Form 941, these rules also apply to Form 945 and Form 944 (if the employer required to file Form 944 does not qualify for the exception to the deposit requirements discussed on page 18 under Payment with return).

Penalties may apply if you do not make required deposits on time, if you make deposits for less than the required amount, or if you do not use EFTPS when required. The penalties do not apply if any failure to make a proper and timely deposit was due to reasonable cause and not to willful neglect. The IRS may also waive penalties if you inadvertently fail to deposit in the first quarter that you were required to deposit any employment tax, or in the first quarter during which the your frequency of deposits changed, if you timely filed your employment tax return.

For amounts not properly or timely deposited, the penalty rates are as follows.

2% - Deposits made 1 to 5 days late.

5% - Deposits made 6 to 15 days late.

10% - Deposits made 16 or more days late. Also applies to amounts paid within 10 days of the date of the first notice the IRS sent asking for the tax due.

10% - Deposits made at an unauthorized financial institution, paid directly to the IRS, or paid with your tax return. But see *Depositing without an EIN* on page 22 and *Payment with return* on page 18 for exceptions.

10% - Amounts subject to electronic deposit requirements but not deposited using EFTPS.

15% - Amounts still unpaid more than 10 days after the date of the first notice that the IRS sent asking for the tax due or the day on which you received notice and demand for immediate payment, whichever is earlier.

Late deposit penalty amounts are determined using calendar days, starting from the due date of the liability.

Order in which deposits are applied. Deposits generally are applied to the most recent tax liability within the quarter. If you receive a failure-to-deposit penalty notice, you may designate how your deposits are to be applied in order to minimize the amount of the penalty if you do so within 90 days of the date of the notice. Follow the instructions on the penalty notice that you received. For more information on designating deposits, see Rev. Proc. 2001-58. You can find Rev. Proc. 2001-58 on page 579 of Internal Revenue Bulletin 2001-50 at www.irs.gov/pub/irs-irbs/irb01-50.pdf.

Example. Cedar, Inc. is required to make a deposit of \$1,000 on June 15 and \$1,500 on July 15. It does not make the deposit on June 15. On July 15, Cedar, Inc. deposits \$2,000. Under the deposits rule, which applies deposits to the most recent tax liability, \$1,500 of the deposit is applied to the July 15 deposit and the remaining \$500 is applied to the June deposit. Accordingly, \$500 of the June 15 liability remains undeposited. The penalty on this underdeposit will apply as explained above.

Trust fund recovery penalty. If federal income, social security, and Medicare taxes that must be withheld are not withheld or are not deposited or paid to the United States Treasury, the trust fund recovery penalty may apply. The penalty is the full amount of the unpaid trust fund tax. This penalty may apply to you if these unpaid taxes cannot be immediately collected from the employer or business.

The trust fund recovery penalty may be imposed on all persons who are determined by the IRS to be responsible for collecting, accounting for, and paying over these taxes, and who acted willfully in not doing so.

A **responsible person** can be an officer or employee of a corporation, a partner or employee of a partnership, an accountant, a volunteer director/trustee, or an employee of a sole proprietorship. A responsible person also may include one who signs checks for the business or otherwise has authority to cause the spending of business funds.

Willfully means voluntarily, consciously, and intentionally. A responsible person acts willfully if the person knows that the required actions are not taking place.

Separate accounting when deposits are not made or withheld taxes are not paid. Separate accounting may be required if you do not pay over withheld employee social security, Medicare, or income taxes; deposit required taxes; make required payments; or file tax returns. In this case, you would receive written notice from the IRS requiring you to deposit taxes into a special trust account for the U.S. Government. You would also have to file monthly tax returns on Form 941-M, Employer's Monthly Federal Tax Return.



You may be charged with criminal penalties if you do not comply with the special bank deposit requirements for the special trust account for the U.S. Government.

“Averaged” failure-to-deposit penalty. IRS may assess an “averaged” failure-to-deposit (FTD) penalty of 2% to 10% if you are a monthly schedule depositor and did not properly complete line 15 of Form 941 when your tax liability (line 10) shown on Form 941 equaled or exceeded \$2,500.

The IRS may also assess an “averaged” FTD penalty of 2% to 10% if you are a semiweekly schedule depositor and your tax liability (line 10) shown on Form 941 equaled or exceeded \$2,500 and you:

- Completed line 15 of Form 941 instead of Schedule B (Form 941),
- Failed to attach a properly completed Schedule B (Form 941), or
- Improperly completed Schedule B (Form 941) by, for example, entering tax deposits instead of tax liabilities in the numbered spaces.

The FTD penalty is figured by distributing your total tax liability shown on line 10 of Form 941 equally throughout the tax period. As a result, your deposits and payments may not be counted as timely because the actual dates of your tax liabilities cannot be accurately determined.

You can avoid an “averaged” FTD penalty by reviewing your return before you file it. Follow these steps before submitting your Form 941.

- If you are a monthly schedule depositor, report your tax liabilities (not your deposits) in the monthly entry spaces on line 15 of Form 941.
- If you are a semiweekly schedule depositor, report your tax liabilities (not your deposits) on Schedule B (Form 941) in the lines that represent the dates your employees were paid.

- Verify that your total liability shown on line 15 of Form 941 or the bottom of Schedule B (Form 941) equals your tax liability shown on line 10 of Form 941.
- Do not show negative amounts on line 15 or Schedule B (Form 941). If a prior period correction results in a decrease to your tax liability, reduce your liability for the day that you discovered the error by the tax decrease resulting from the error, but not below zero. Apply any remaining decrease to subsequent liabilities.

12. Filing Form 941 or Form 944

Form 941 Each quarter, all employers who pay wages subject to income tax withholding (including withholding on sick pay and supplemental unemployment benefits) or social security and Medicare taxes must file Form 941, Employer's QUARTERLY Federal Tax Return, unless the employer is required to file Form 944 or the following exceptions apply. Form 941 must be filed by the last day of the month that follows the end of the quarter. See the *Calendar* on page 2.

Form 944. If you receive written notification that you qualify for the Form 944 program, you must file Form 944, Employer's ANNUAL Federal Tax Return, instead of Form 941. If you received this notification, but prefer to file Form 941, you can request to have your filing requirement changed to Form 941 if you satisfy certain requirements. See the Instructions for Form 944 for details. Employers who must file Form 944 have until the last day of the month that follows the end of the year to file Form 944.

Exceptions. The following exceptions apply to the filing requirements for Forms 941 and 944.

- **Seasonal employers who no longer file for quarters when they regularly have no tax liability because they have paid no wages.** To alert the IRS that you will not have to file a return for one or more quarters during the year, check the “Seasonal employer” box on line 17 of Form 941. The IRS will mail two Forms 941 to the seasonal filer once a year after March 1. When you fill out Form 941, be sure to check the box on the top of the form that corresponds to the quarter reported. Generally, the IRS will not inquire about unfiled returns if at least one taxable return is filed each year. However, you must check the “Seasonal employer” box on **every** Form 941 that you file. Otherwise, the IRS will expect a return to be filed for each quarter.
- **Household employers reporting social security and Medicare taxes and/or withheld income tax.** If you are a sole proprietor and file Form 941 or Form 944 for business employees, you may include taxes for household employees on your Form 941 or Form 944. Otherwise, report social security and Medicare taxes and income tax withholding for household employees on Schedule H (Form 1040), Household Employment Taxes. See Publication 926, Household Employer's Tax Guide, for more information.
- **Employers reporting wages for employees in American Samoa, Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, or Puerto Rico.** If your employees are not subject to U.S. income tax withholding, use Form

941-SS or Form 944-SS. Employers in Puerto Rico use Form 941-PR or Form 944-PR.

- **Agricultural employers reporting social security, Medicare, and withheld income taxes.** Report these taxes on Form 943, Employer's Annual Federal Tax Return for Agricultural Employees.

Form 941 e-file. The Form 941 e-file program allows a taxpayer to electronically file Form 941 or Form 944 using a personal computer, modem, and commercial tax preparation software. Contact the IRS at 1-866-255-0654 or visit the IRS website at www.irs.gov/efile for more information. See Publication 1855, Technical Specifications Guide for the Electronic Filing of Form 941, Employer's QUARTERLY Federal Tax Return, for technical specifications.

Electronic filing by reporting agents. Reporting agents filing Forms 941 or Form 944 for groups of taxpayers can file them electronically. See *Reporting Agents* in section 7 of Publication 15-A, Employer's Supplemental Tax Guide, for more information.

Penalties. For each whole or part month that a return is not filed when required (disregarding any extensions of the filing deadline), there is a failure-to-file penalty of 5% of the unpaid tax due with that return. The maximum penalty is generally 25% of the tax due. Also, for each whole or part month that the tax is paid late (disregarding any extensions of the payment deadline), there is a failure-to-pay penalty of 0.5% per month of the amount of tax. For individual filers only, the failure-to-pay penalty is reduced from 0.5% per month to 0.25% per month if an installment agreement is in effect. You must have filed your return on or before the due date of the return to qualify for the reduced penalty. The maximum amount of the failure-to-pay penalty is also 25% of the tax due. If both penalties apply in any month, the failure-to-file penalty is reduced by the amount of the failure-to-pay penalty. The penalties will not be charged if you have a reasonable cause for failing to file or pay. If you receive a penalty notice, you can provide an explanation of why you believe reasonable cause exists.

Note. In addition to any penalties, interest accrues from the due date of the tax on any unpaid balance.

If income, social security, or Medicare taxes that must be withheld are not withheld or are not paid, you may be personally liable for the trust fund recovery penalty. See *Trust fund recovery penalty* in section 11.

Use of a reporting agent or other third-party payroll service provider does not relieve an employer of the responsibility to ensure that tax returns are filed and all taxes are paid or deposited correctly and on time.

Do not file more than one Form 941 per quarter or more than one Form 944 per year. Employers with multiple locations or divisions must file only one Form 941 per quarter or one Form 944 per year. Filing more than one return may result in processing delays and may require correspondence between you and the IRS. For information on making adjustments to previously filed returns, see section 13.

Reminders about filing.

- Do not report more than one calendar quarter on a Form 941 .
- Use the preaddressed form mailed to you. If you do not have the form, get one from the IRS in time to file the return when due.
- If you use a form that is not preaddressed, show your name and EIN on it. Be sure that they are exactly as they appeared on earlier returns.

- See the Instructions for Form 941 or the Instructions for Form 944 for information on preparing the form.

Final return. If you go out of business, you must file a final return for the last quarter (last year for Form 944) in which wages are paid. If you continue to pay wages or other compensation for periods following termination of your business, you must file returns for those periods. See the Instructions for Form 941 or the Instructions for Form 944 for details on how to file a final return.

If you are required to file a final return, you are also required to furnish Forms W-2 to your employees by the due date of your final return. File Forms W-2 and W-3 with the SSA by the last day of the month that follows the due date of your final return. Do not send an original or copy of your Form 941 or Form 944 to the SSA. See the Instructions for Forms W-2 and W-3 for more information.

Filing late returns for previous years. If possible, get a copy of Form 941 or Form 944 (and separate instructions) with a revision date showing the year for which your delinquent return is being filed. See *Quick and Easy Access to IRS Tax Help and Tax Products* on page 68 for various ways to secure any necessary forms and instructions. Contact the IRS at 1-800-829-4933 if you have any questions.

Table 3. Social Security and Medicare Tax Rates (For 3 prior years)

Calendar Year	Wage Base Limit (each employee)	Tax Rate on Taxable Wages and Tips
2006–Social Security	\$94,200	12.4%
2006–Medicare	All Wages	2.9%
2005–Social Security	\$90,000	12.4%
2005–Medicare	All Wages	2.9%
2004–Social Security	\$87,900	12.4%
2004–Medicare	All Wages	2.9%

Reconciling Forms W-2, W-3, and 941 or 944. When there are discrepancies between Forms 941 or Form 944 filed with the IRS and Forms W-2 and W-3 filed with the SSA, the IRS must contact you to resolve the discrepancies.

To help reduce discrepancies:

1. Report bonuses as wages and as social security and Medicare wages on Forms W-2 and on Form 941 or Form 944,
2. Report both social security and Medicare wages and taxes separately on Forms W-2, W-3, 941, and 944,
3. Report employee share of social security taxes on Form W-2 in the box for social security tax withheld (box 4), not as social security wages,
4. Report employee share of Medicare taxes on Form W-2 in the box for Medicare tax withheld (box 6), not as Medicare wages,
5. Make sure the social security wage amount for each employee does not exceed the annual social security wage base limit (for example, \$94,200 for 2006),

6. Do not report noncash wages that are not subject to social security or Medicare taxes as social security or Medicare wages,
7. If you used an EIN on any Form 941 or Form 944 for the year that is different from the EIN reported on Form W-3, enter the other EIN on Form W-3 in the box for "Other EIN used this year,"
8. Be sure that the amounts on Form W-3 are the total of amounts from Forms W-2, and
9. Reconcile Form W-3 with your four quarterly Forms 941 or annual Form 944 by comparing amounts reported for:
 - a. Income tax withholding;
 - b. Social security wages, social security tips, and Medicare wages and tips. Form W-3 should include Form 941 or Form 944 adjustments only for the current year (that is, if the Form 941 or Form 944 adjustments include amounts for a prior year, do not report those prior year adjustments on the current-year Forms W-2 and W-3);
 - c. Social security and Medicare taxes. The amounts shown on the four quarterly Forms 941 or the annual Form 944, including current-year adjustments, should be approximately twice the amounts shown on Form W-3. This is because Form 941 and Form 944 include both the employer and employee shares of social security and Medicare taxes; and
 - d. Advance earned income credit (EIC).

Do not report on Form 941 or Form 944 backup withholding or income tax withholding on nonpayroll payments such as pensions, annuities, and gambling winnings. Nonpayroll withholding must be reported on Form 945, Annual Return of Withheld Federal Income Tax. See the Instructions for Form 945 for details. Income tax withholding required to be reported on Forms 1099 or W-2G must be reported on Form 945. Only taxes and withholding properly reported on Form W-2 should be reported on Form 941 or Form 944.

Amounts reported on Forms W-2, W-3, and Forms 941 or Form 944 may not match for valid reasons. If they do not match, you should determine that the reasons are valid. Keep your reconciliation so that you will have a record of why amounts did not match in case there are inquiries from the IRS or the SSA. See the Instructions for Schedule D (Form 941) if you need to explain any discrepancies that were caused by an acquisition, statutory merger, or consolidation.

13. Reporting Adjustments on Form 941 and Form 944

There are two types of adjustments reported on Form 941 and Form 944: current period adjustments and prior period adjustments to correct errors. See the Instructions for Form 941 (or the Instructions for Form 944) and the Instructions for Form 941c, Supporting Statement to Correct Information, for more information on how to report these adjustments.

Current Period Adjustments

In certain cases, amounts reported as social security and Medicare taxes in column 2 of lines 5a, 5b, and 5c of Form 941 (column 2 of lines 4a, 4b, and 4c for Form 944) must

be adjusted to arrive at your correct tax liability (for example, excluding amounts withheld by a third-party payer or amounts you were not required to withhold). Current period adjustments are reported on lines 7a, 7b, and 7c of Form 941 (line 6a of Form 944) and include the following:

Adjustment of tax on tips. If, by the 10th of the month after the month you received an employee's report on tips, you do not have enough employee funds available to withhold the employee's share of social security and Medicare taxes, you no longer have to collect it. However, report the entire amount of these tips on lines 5b (social security tips) and 5c (Medicare wages and tips) (lines 4b and 4c of Form 944). Include as a negative adjustment on line 7c (line 6a of Form 944) the total uncollected employee share of the social security and Medicare taxes.

Adjustment of tax on group-term life insurance premiums paid for former employees. The employee share of social security and Medicare taxes on group-term life insurance over \$50,000 for a former employee is paid by the former employee with his or her tax return and is not collected by the employer. However, include all social security and Medicare taxes for such coverage on lines 5a and 5c (social security and Medicare taxes) (lines 4a and 4c of Form 944), and back out the amount of the employee share of these taxes as a negative adjustment on line 7c (line 6a of Form 944). See Publication 15-B for more information on group-term life insurance.

Adjustment of tax on third-party sick pay. Report both the employer and employee shares of social security and Medicare taxes for sick pay on lines 5a and 5c of Form 941 (lines 4a and 4c of Form 944). Show as a negative adjustment on line 7b (line 6a of Form 944) the social security and Medicare taxes withheld on sick pay by a third-party payer. See section 6 of Publication 15-A for more information.

Fractions-of-cents adjustment. If there is a small difference between total taxes after adjustment for advance EIC (line 10) (line 9 of Form 944) and total deposits (line 11) (line 10 of Form 944), it may have been caused, all or in part, by rounding to the nearest cent each time you computed payroll. This rounding occurs when you figure the amount of social security and Medicare tax to be withheld and deposited from each employee's wages. The IRS refers to rounding differences relating to employee withholding of social security and Medicare taxes as "fractions-of-cents" adjustments. (If you pay your taxes with Form 941 (or Form 944) instead of making deposits because your total taxes for the quarter (year for Form 944) are less than \$2,500, you also may report a fractions-of-cents adjustment.)

To determine if you have a fractions-of-cents adjustment, multiply the total wages and tips for the quarter subject to:

- Social security tax (reported on lines 5a, column 1, and 5b, column 1) (or lines 4a and 4b of column 1 on Form 944) by 6.2% (.062) and
- Medicare tax (reported on line 5c, column 1) (line 4c of column 1 on Form 944) by 1.45% (.0145).

Compare these amounts (the employee share of social security and Medicare taxes) with the total social security and Medicare taxes actually withheld from employees for the quarter (from your payroll records). The difference, positive or negative, is your fractions-of-cents adjustment to be reported on line 7a (line 6a of Form 944). If the actual amount withheld is less, report a negative adjustment using a minus sign (if possible) in the entry space. If the actual amount is more, report a positive adjustment.



For the above adjustments, prepare and retain a brief supporting statement explaining the nature and amount of each. Do not attach the statement to Form 941 or Form 944.

Example. Cedar, Inc. was entitled to the following current period adjustments.

- **Third-party sick pay.** Cedar, Inc. included taxes of \$2,000 for sick pay on lines 5a, column 2 and 5c, column 2 for social security and Medicare taxes. However, the third-party payer of the sick pay withheld and paid the employee share (\$1,000) of these taxes. Cedar, Inc. is entitled to a \$1,000 sick pay adjustment (negative) on line 7b.
- **Fractions of cents.** Cedar, Inc. determined that the amounts withheld and deposited for social security and Medicare taxes during the quarter were a net \$1.44 more than the employee share of the amount figured on lines 5a, column 2, 5b, column 2, and 5c, column 2 (social security and Medicare taxes). This difference was caused by adding or dropping fractions of cents when figuring social security and Medicare taxes for each wage payment. Cedar, Inc. must report a positive \$1.44 fractions-of-cents adjustment on line 7a.
- **Life insurance premiums.** Cedar, Inc. paid group-term life insurance premiums for policies in excess of \$50,000 for former employees. The former employees must pay the employee share of the social security and Medicare taxes (\$200) on the policies. However, Cedar, Inc. must include the employee share of these taxes with the social security and Medicare taxes reported on lines 5a, column 2 and 5c, column 2 of Form 941. Therefore, Cedar, Inc. is entitled to a negative \$200 adjustment on line 7c.

Cedar, Inc. reported these adjustments on line 7 of Form 941 as shown in the *Current Period Adjustment Example* at the bottom of this page.

No change to record of federal tax liability. Do not make any changes to your record of federal tax liability reported on line 15 or Schedule B (Form 941) (line 13 or Form 945-A for Form 944 filers) for current period adjustments. The amounts reported on the record reflect the actual amounts you withheld from employees' wages for social security and Medicare taxes. Because the current

period adjustments make the amounts reported on lines 5a, column 2, 5b, column 2, and 5c, column 2 of Form 941 (lines 4a, 4b, and 4c of column 2 for Form 944) equal the actual amounts you withheld (the amounts reported on the record), no additional changes to the record of federal tax liability are necessary for these adjustments.

Prior Period Adjustments

Generally, you can correct errors on prior period Forms 941 by making an adjustment on your Form 941 (or Form 944) for the quarter (year for Form 944) during which the error was discovered. For example, if you made an error in reporting social security tax on your second quarter 2006 Form 941 and discovered the error during March 2007, correct the error by making an adjustment on your first quarter 2007 Form 941.

The adjustment increases or decreases your tax liability for the quarter in which it is reported (that is, the quarter the error is discovered) and is interest free. The net adjustments reported on Form 941 or Form 944 may include any number of corrections for one or more previous return periods, including both overpayments and underpayments.

You are required to provide background information and certifications supporting prior quarter adjustments. File with Form 941 or Form 944 a Form 941c, Supporting Statement To Correct Information, or attach a statement that shows:

- What the error was,
- Period in which the error was made,
- The amount of the error for each period,
- Date on which you found the error,
- That you repaid the employee tax or received from each affected employee a written consent to this refund or credit, if the entry corrects an overcollection, and
- If the entry corrects social security and Medicare taxes overcollected in an earlier year, that you received from the employee a written statement that he or she will not claim a refund or credit for the amount.

Do not file Form 941c separately. The IRS will not be able to process your adjustments on Form 941 or Form

Current Period Adjustment Example (Form 941)

7 TAX ADJUSTMENTS (Read the instructions for line 7 before completing lines 7a through 7h.):

7a Current quarter's fractions of cents	1.44
7b Current quarter's sick pay	-1000.00
7c Current quarter's adjustments for tips and group-term life insurance	-200.00
7d Current year's income tax withholding (Attach Form 941c) . . . . .	.
7e Prior quarter's social security and Medicare taxes (Attach Form 941c)	.
7f Special additions to federal income tax (Attach Form 941c) . . . . .	.
7g Special additions to social security and Medicare (Attach Form 941c)	.
7h TOTAL ADJUSTMENTS (Combine all amounts: lines 7a through 7g.)	7h -1198.56

944 without this supporting information. See the instructions for Form 941c for more information.

Income tax withholding adjustments. Correct prior quarter income tax withholding errors by making an adjustment on line 7d of Form 941 for the quarter during which you discovered the error.

You may make an adjustment to correct income tax withholding errors only for quarters during the same calendar year. This is because the employee uses the amount shown on Form W-2 as a credit when filing his or her income tax return (Form 1040, etc.).

You cannot adjust amounts reported as income tax withheld in a prior calendar year unless it is to correct an administrative error. An administrative error occurs if the amount you entered on Form 941 or Form 944 is not the amount you actually withheld. For example, if the total income tax actually withheld was incorrectly reported on Form 941 or Form 944 due to a mathematical or transposition error, this would be an administrative error. The administrative error adjustment corrects the amount reported on Form 941 or Form 944 to agree with the amount actually withheld from employees.

Social security and Medicare tax adjustments. Correct prior quarter social security and Medicare tax errors by making an adjustment on line 7e of Form 941 (line 6c of Form 944) for the quarter during which you discovered the error. You may report adjustments on the current quarter Form 941 for previous quarters in the current and prior years; the current year Form 944 for previous years.

Reporting prior quarter adjustments on the record of federal tax liability. Adjustments to correct errors in prior quarters or years must be taken into account on either Form 941, line 15, or on Schedule B (Form 941), Report of Tax Liability for Semiweekly Schedule Depositors (or Form 944, line 13 or on Form 945-A).

If the adjustment corrects an underreported liability in a prior period, report the adjustment on the entry space corresponding to the date the error was discovered. If the adjustment corrects an overreported liability, use the adjustment amount as a credit to offset subsequent liabilities until it is used up.

Example of reporting prior period adjustments. Elm Co., a monthly schedule depositor, discovered on January 8, 2007, that it overreported social security tax on a prior quarter return by \$5,000. Its total tax liabilities for the first quarter of 2006 were: January—\$4,500, February—\$4,500, and March—\$4,500. Elm Co. completed line 15 of Form 941 as shown in the *Prior Period Adjustment Example* at the bottom of this page.

The adjustment for the \$5,000 overreported liability offset the January liability, so the \$4,500 liability was not deposited and a “-0-” liability was reported on line 15, Month 1. The remaining \$500 of the \$5,000 adjustment credit was used to partially offset the liability for February, so only \$4,000 of the \$4,500 liability was deposited and reported on line 15, Month 2.

Filing a claim for overreported prior period liabilities. If you discover an error on a prior quarter return resulting in a tax overpayment, you may file Form 843, Claim for Refund and Request for Abatement, for a refund. This form also can be used to request an abatement of an overassessment of employment taxes, interest, and/or penalties. You must file Form 941c, or an equivalent statement, with Form 843. See the separate Instructions for Form 843.

Collecting underwithheld taxes from employees. If you withheld no income, social security, or Medicare taxes or less than the correct amount from an employee's wages, you can make it up from later pay to that employee. But you are the one who owes the underpayment. Reimbursement is a matter for settlement between you and the employee. Underwithheld income tax must be recovered from the employee on or before the last day of the calendar year. There are special rules for tax on tips (see section 6) and fringe benefits (see section 5).

Refunding amounts incorrectly withheld from employees. If you withheld more than the correct amount of income, social security, or Medicare taxes from wages paid, give the employee the excess. Any excess income tax withholding must be reimbursed to the employee before the end of the calendar year in which it was withheld. Keep in your records the employee's written receipt showing the date and amount of the repayment. If you do not have a receipt, you must report and pay each excess amount when you file Form 941 for the quarter in which you withheld too much tax.

Correcting filed Forms W-2 and W-3. When adjustments are made to correct social security and Medicare taxes because of a change in the wage totals reported for a previous year, you also may need to file Form W-2c, Corrected Wage and Tax Statement, and Form W-3c, Transmittal of Corrected Wage and Tax Statements, with the SSA. Up to five Forms W-2c per Form W-3c (50 Forms W-3c maximum) may be filed over the Internet. For more information, visit the Social Security Administration's Employer Reporting Instructions and Information webpage at www.socialsecurity.gov/employer.

Prior Period Adjustment Example

15 Check one: Line 10 is less than \$2,500, go to Part 3.

You were a monthly schedule depositor for the entire quarter. Fill out your tax liability for each month. Then go to Part 3.

Tax liability: Month 1	<input type="text" value="-0-"/>	
Month 2	<input type="text" value="4000.00"/>	
Month 3	<input type="text" value="4500.00"/>	
Total	<input type="text" value="8500.00"/>	Total must equal line 10.

You were a semiweekly schedule depositor for any part of this quarter. Fill out Schedule B (Form 941): Report of Tax Liability for Semiweekly Schedule Depositors, and attach it to this form.

Special additions to tax liability. Form 941 includes lines (lines 7f and 7g) (lines 6d and 6e on Form 944) to report special additions to federal income tax and social security and Medicare tax. However, these lines are specifically reserved for special circumstances and are to be used only if the IRS sends the employer a notice instructing the employer to use them.

Wage Repayments

If an employee repays you for wages received in error, do not offset the repayments against current-year wages unless the repayments are for amounts received in error in the current year.

Repayment of current year wages. If you receive repayments for wages paid during a prior quarter in the current year, report adjustments on Form 941 to recover income tax withholding and social security and Medicare taxes for the repaid wages (as discussed earlier). Report the adjustments on Form 941 for the quarter during which the repayment occurred.

Repayment of prior year wages. If you receive repayments for wages paid during a prior year, report an adjustment on the Form 941 or Form 944 for the period during which the repayment was made to recover the social security and Medicare taxes. Instead of making an adjustment on Form 941 or Form 944, you may file a claim for these taxes using Form 843. You may not make an adjustment for income tax withholding because the wages were paid during a prior year.

You also must file Forms W-2c and W-3c with the SSA to correct social security and Medicare wages and taxes. Do not correct wages (box 1) on Form W-2c for the amount paid in error. Give a copy of Form W-2c to the employee.

Employee reporting of repayment. The wages paid in error in the prior year remain taxable to the employee for that year. This is because the employee received and had use of those funds during that year. The employee is not entitled to file an amended return (Form 1040X) to recover the income tax on these wages. Instead, the employee is entitled to a deduction (or credit in some cases) for the repaid wages on his or her income tax return for the year of repayment.

14. Federal Unemployment (FUTA) Tax

The Federal Unemployment Tax Act (FUTA), with state unemployment systems, provides for payments of unemployment compensation to workers who have lost their jobs. Most employers pay both a federal and a state unemployment tax. A list of state unemployment agencies, including addresses and phone numbers, is available in the Instructions for Form 940. Only the employer pays FUTA tax; it is not withheld from the employee's wages. For more information, see the Instructions for Form 940.



Services rendered after December 20, 2000, to a federally recognized Indian tribal government (or any subdivision, subsidiary, or business wholly owned by such an Indian tribe) are exempt from FUTA tax, subject to the tribe's compliance with state law. For more information, see Code section 3309(d).

Who must pay? Use the following three tests to determine whether you must pay FUTA tax. Each test applies to a different category of employee, and each is independent of the others. If a test describes your situation, you are subject to FUTA tax on the wages that you pay to employees in that category during the current calendar year.

1. General test.

You are subject to FUTA tax in 2007 on the wages that you pay employees who are not farmworkers or household workers if in the current or preceding calendar year:

- You paid wages of \$1,500 or more in any calendar quarter in 2006 or 2007, or
- You had one or more employees for at least some part of a day in any 20 or more different weeks in 2006 or 20 or more different weeks in 2007.

2. Household employees test.

You are subject to FUTA tax if you paid total cash wages of \$1,000 or more to household employees in any calendar quarter in 2006 or 2007. A household employee is an employee who performs household work in a private home, local college club, or local fraternity or sorority chapter.

3. Farmworkers test.

You are subject to FUTA tax on the wages that you pay to farmworkers if:

- You paid cash wages of \$20,000 or more to farmworkers during any calendar quarter in 2006 or 2007, or
- You employed 10 or more farmworkers during at least some part of a day (whether or not at the same time) during any 20 or more different weeks in 2006 or 20 or more different weeks in 2007.

Computing FUTA tax. For 2006 and 2007, the FUTA tax rate is 6.2%. The tax applies to the first \$7,000 that you pay to each employee as wages during the year. The \$7,000 is the federal wage base. Your state wage base may be different. Generally, you can take a credit against your FUTA tax for amounts that you paid into state unemployment funds. This credit cannot be more than 5.4% of taxable wages. If you are entitled to the maximum 5.4% credit, the FUTA tax rate after the credit is 0.8%.

Successor employer. If you acquired a business from an employer who was liable for FUTA tax, you may be able to count the wages that employer paid to the employees who continue to work for you when you figure the \$7,000 FUTA wage base. See the Instructions for Form 940.

Depositing FUTA tax. For deposit purposes, figure FUTA tax quarterly. Determine your FUTA tax liability by multiplying the amount of taxable wages paid during the quarter by .008 (0.8%). Stop depositing FUTA tax on an employee's wages when he or she reaches \$7,000 in taxable wages for the calendar year. If any part of the wages subject to FUTA is exempt from state unemployment tax, you may have to deposit more than the tax using the 0.8% rate. For example, in certain states, wages paid to corporate officers, certain payments of sick pay by unions, and certain fringe benefits, are exempt from state unemployment tax.

If your FUTA tax liability for a quarter is \$500 or less, you do not have to deposit the tax. Instead, you may carry it forward and add it to the liability figured in the next quarter to see if you must make a deposit. If your FUTA tax liability for any calendar quarter in 2007 is over \$500 (including any FUTA tax carried forward from an earlier quarter), you must deposit the tax by electronic funds transfer (EFTPS) or in an authorized financial institution using Form 8109, Federal Tax Deposit Coupon. See section 11 for information on these two deposit methods.

Household employees. You are not required to deposit FUTA taxes for household employees unless you

report their wages on Form 941, Form 944, or Form 943. See Publication 926, Household Employer's Tax Guide, for more information.

When to deposit. Deposit the FUTA tax by the last day of the first month that follows the end of the quarter. If the due date (below) for making your deposit falls on a Saturday, Sunday, or legal holiday, you may make your deposit on the next business day.

If your liability for the fourth quarter (plus any undeposited amount from any earlier quarter) is over \$500, deposit the entire amount by the due date of Form 940 (January 31). If it is \$500 or less, you can make a deposit, pay the tax with a major credit card, or pay the tax with your Form 940 by January 31.

Table 4. **When to Deposit FUTA Taxes**

Quarter	Ending	Due Date
Jan.–Feb.–Mar.	Mar. 31	Apr. 30
Apr.–May–June	June 30	July 31
July–Aug.–Sept.	Sept. 30	Oct. 31
Oct.–Nov.–Dec.	Dec. 31	Jan. 31

Reporting FUTA tax. Use Form 940, Employer's Annual Federal Unemployment (FUTA) Tax Return, to report FUTA tax. **File Form 940 by January 31.** However, if you deposited all FUTA tax when due, you may file on or before February 10. The IRS will mail a preaddressed Form 940 to you if you filed a return for the year before. If you do not receive Form 940, you can get a form by calling 1-800-TAX-FORM (1-800-829-3676).

Household employees. If you did not report employment taxes for household employees on Form 941, Form 944, or Form 943, report FUTA tax for these employees on Schedule H (Form 1040), Household Employment Taxes. See Publication 926 for more information. You must have an EIN to file Schedule H (Form 1040). See section 1.

Electronic filing by reporting agents. Reporting agents filing Forms 940 for groups of taxpayers can file them electronically. See the *Reporting Agent* discussion in section 7 of Publication 15-A, Employer's Supplemental Tax Guide, for more information.

15. Special Rules for Various Types of Services and Payments

(Section references are to the Internal Revenue Code unless otherwise noted.)

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Aliens, nonresident.	See pages 14 and 16 and Publication 515, Withholding of Tax on Nonresident Aliens and Foreign Entities, and Publication 519, U.S. Tax Guide for Aliens.		
Aliens, resident: 1. Service performed in the U.S. 2. Service performed outside U.S.	Same as U.S. citizen. Withhold	Same as U.S. citizen. (Exempt if any part of service as crew member of foreign vessel or aircraft is performed outside U.S.) Taxable if (1) working for an American employer or (2) an American employer by agreement covers U.S. citizens and residents employed by its foreign affiliates.	Same as U.S. citizen. Exempt unless on or in connection with an American vessel or aircraft and either performed under contract made in U.S., or alien is employed on such vessel or aircraft when it touches U.S. port.
Cafeteria plan benefits under section 125.	If employee chooses cash, subject to all employment taxes. If employee chooses another benefit, the treatment is the same as if the benefit was provided outside the plan. See Publication 15-B for more information.		
Deceased worker: 1. Wages paid to beneficiary or estate in same calendar year as worker's death. See Instructions for Forms W-2 and W-3 for details. 2. Wages paid to beneficiary or estate after calendar year of worker's death.	Exempt Exempt	Taxable Exempt	Taxable Exempt
Dependent care assistance programs (limited to \$5,000; \$2,500 if married filing separately).	Exempt to the extent that it is reasonable to believe that amounts are excludable from gross income under section 129.		
Disabled worker's wages paid after year in which worker became entitled to disability insurance benefits under the Social Security Act.	Withhold	Exempt, if worker did not perform any service for employer during period for which payment is made.	Taxable
Employee business expense reimbursement: 1. Accountable plan. a. Amounts not exceeding specified government rate for per diem or standard mileage. b. Amounts in excess of specified government rate for per diem or standard mileage. 2. Nonaccountable plan. See page 10 for details.	Exempt Withhold Withhold	Exempt Taxable Taxable	Exempt Taxable Taxable
Family employees: 1. Child employed by parent (or partnership in which each partner is a parent of the child). 2. Parent employed by child. 3. Spouse employed by spouse. See section 3 for more information.	Withhold Withhold Withhold	Exempt until age 18; age 21 for domestic service. Taxable if in course of the son's or daughter's business. For domestic services, see section 3. Taxable if in course of spouse's business.	Exempt until age 21 Exempt Exempt
Fishing and related activities.	See Publication 334, Tax Guide for Small Business.		
Foreign governments and international organizations.	Exempt	Exempt	Exempt

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Homeworkers (industrial, cottage industry): 1. Common law employees. 2. Statutory employees. See page 7 for details.	Withhold Exempt	Taxable Taxable if paid \$100 or more in cash in a year.	Taxable Exempt
Hospital employees: 1. Interns 2. Patients	Withhold Withhold	Taxable Taxable (Exempt for state or local government hospitals.)	Exempt Exempt
Household employees: 1. Domestic service in private homes. Farmers, see Publication 51 (Circular A). 2. Domestic service in college clubs, fraternities, and sororities.	Exempt (withhold if both employer and employee agree). Exempt (withhold if both employer and employee agree).	Taxable if paid \$1,500 or more in cash in 2007. Exempt if performed by an individual under age 18 during any portion of the calendar year and is not the principal occupation of the employee. Exempt if paid to regular student; also exempt if employee is paid less than \$100 in a year by an income-tax-exempt employer.	Taxable if employer paid total cash wages of \$1,000 or more in any quarter in the current or preceding calendar year. Taxable if employer paid total cash wages of \$1,000 or more in any quarter in the current or preceding calendar year.
Insurance for employees: 1. Accident and health insurance premiums under a plan or system for employees and their dependents generally or for a class or classes of employees and their dependents. 2. Group-term life insurance costs. See Publication 15-B for details.	Exempt (except 2% shareholder-employees of S corporations). Exempt	Exempt Exempt, except for the cost of group-term life insurance that is includible in the employee's gross income. (Special rules apply for former employees.)	Exempt Exempt
Insurance agents or solicitors: 1. Full-time life insurance salesperson. 2. Other salesperson of life, casualty, etc., insurance.	Withhold only if employee under common law. See page 7. Withhold only if employee under common law.	Taxable Taxable only if employee under common law.	Taxable if (1) employee under common law and (2) not paid solely by commissions. Taxable if (1) employee under common law and (2) not paid solely by commissions.
Interest on loans with below-market interest rates (foregone interest and deemed original issue discount).	See Publication 15-A.		
Leave-sharing plans: Amounts paid to an employee under a leave-sharing plan.	Withhold	Taxable	Taxable
Newspaper carriers and vendors: Newspaper carriers under age 18; newspaper and magazine vendors buying at fixed prices and retaining receipts from sales to customers. See Publication 15-A for information on statutory nonemployee status.	Exempt (withhold if both employer and employee voluntarily agree).	Exempt	Exempt
Noncash payments: 1. For household work, agricultural labor, and service not in the course of the employer's trade or business. 2. To certain retail commission salespersons ordinarily paid solely on a cash commission basis.	Exempt (withhold if both employer and employee voluntarily agree). Optional with employer.	Exempt Taxable	Exempt Taxable
Nonprofit organizations.	See Publication 15-A.		
Officers or shareholders of an S Corporation. Distributions and other payments by an S corporation to a corporate officer or shareholder must be treated as wages to the extent the amounts are reasonable compensation for services to the corporation by an employee. (See the Instructions for Form 1120S.)	Withhold	Taxable	Taxable

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Partners: Payments to general or limited partners of a partnership. (See Publication 541, Partnerships, for partner reporting rules.)	Exempt	Exempt	Exempt
Railroads: Payments subject to the Railroad Retirement Act.	Withhold	Exempt	Exempt
Religious exemptions.	See Publication 15-A and Pub. 517, Social Security and Other Information for Members of the Clergy and Religious Workers.		
Retirement and pension plans: 1. Employer contributions to a qualified plan. 2. Elective employee contributions and deferrals to a plan containing a qualified cash or deferred compensation arrangement (for example, 401(k)). 3. Employer contributions to individual retirement accounts under simplified employee pension plan (SEP). 4. Employer contributions to section 403(b) annuities. 5. Employee salary reduction contributions to a SIMPLE retirement account. 6. Distributions from qualified retirement and pension plans and section 403(b) annuities. See Publication 15-A for information on pensions, annuities, and employer contributions to nonqualified deferred compensation arrangements.	Exempt Generally exempt, but see section 402(g) for limitation. Generally exempt, but see section 402(g) for salary reduction SEP limitation. Generally exempt, but see section 402(g) for limitation. Exempt Withhold, but recipient may elect exemption on Form W-4P in certain cases; mandatory 20% withholding applies to an eligible rollover distribution that is not a direct rollover; exempt for direct rollover. See Publication 15-A.	Exempt Taxable Exempt, except for amounts contributed under a salary reduction SEP agreement. Taxable if paid through a salary reduction agreement (written or otherwise). Taxable Exempt	Exempt Taxable Taxable Exempt
Salespersons: 1. Common law employees. 2. Statutory employees. 3. Statutory nonemployees (qualified real estate agents, direct sellers, and certain companion sitters). See Pub. 15-A for details.	Withhold Exempt Exempt	Taxable Taxable Exempt	Taxable Taxable, except for full-time life insurance sales agents. Exempt
Scholarships and fellowship grants: (includible in income under section 117(c)).	Withhold	Taxability depends on the nature of the employment and the status of the organization. See <i>Students</i> on next page.	
Severance or dismissal pay.	Withhold	Taxable	Taxable
Service not in the course of the employer's trade or business, other than on a farm operated for profit or for household employment in private homes.	Withhold only if employee earns \$50 or more in cash in a quarter and works on 24 or more different days in that quarter or in the preceding quarter.	Taxable if employee receives \$100 or more in cash in a calendar year.	Taxable only if employee earns \$50 or more in cash in a quarter and works on 24 or more different days in that quarter or in the preceding quarter.
Sick pay. (See Publication 15-A for more information.)	Withhold	Exempt after end of 6 calendar months after the calendar month employee last worked for employer.	

Special Classes of Employment and Special Types of Payments	Treatment Under Employment Taxes		
	Income Tax Withholding	Social Security and Medicare	Federal Unemployment
Students, scholars, trainees, teachers, etc.: 1. Student enrolled and regularly attending classes, performing services for: a. Private school, college, or university. b. Auxillary nonprofit organization operated for and controlled by school, college, or university. c. Public school, college, or university. 2. Full-time student performing service for academic credit, combining instruction with work experience as an integral part of the program. 3. Student nurse performing part-time services for nominal earnings at hospital as incidental part of training. 4. Student employed by organized camps. 5. Student, scholar, trainee, teacher, etc., as nonimmigrant alien under section 101(a)(15)(F), (J), (M), or (Q) of Immigration and Nationality Act (that is, aliens holding F-1, J-1, M-1, or Q-1 visas).	Withhold Withhold Withhold Withhold Withhold Withhold unless excepted by regulations.	Exempt Exempt unless services are covered by a section 218 (Social Security Act) agreement Exempt unless services are covered by a section 218 (Social Security Act) agreement Taxable Exempt Taxable Exempt if service is performed for purpose specified in section 101(a)(15)(F), (J), (M), or (Q) of Immigration and Nationality Act. However, these taxes may apply if the employee becomes a resident alien. See the special residency tests for exempt individuals in chapter 1 of Publication 519.	Exempt Exempt Exempt Exempt unless program was established for or on behalf of an employer or group of employers. Exempt Exempt
Supplemental unemployment compensation plan benefits.	Withhold	Exempt under certain conditions. See Publication 15-A.	
Tips: 1. If \$20 or more in a month. 2. If less than \$20 in a month. See section 6 for more information.	Withhold Exempt	Taxable Exempt	Taxable for all tips reported in writing to employer. Exempt
Worker's compensation.	Exempt	Exempt	Exempt

16. How To Use the Income Tax Withholding and Advance Earned Income Credit (EIC) Payment Tables

Income Tax Withholding

There are several ways to figure income tax withholding. The following methods of withholding are based on the information that you get from your employees on Form W-4, Employee's Withholding Allowance Certificate. See section 9 for more information on Form W-4.

Wage Bracket Method

Under the wage bracket method, find the proper table (on pages 39-58) for your payroll period and the employee's marital status as shown on his or her Form W-4. Then, based on the number of withholding allowances claimed on the Form W-4 and the amount of wages, find the amount of federal tax to withhold. If your employee is claiming more than 10 withholding allowances, see below.

If you cannot use the wage bracket tables because wages exceed the amount shown in the last bracket of the table, use the percentage method of withholding described below. Be sure to reduce wages by the amount of total withholding allowances in Table 5 on this page before using the percentage method tables (pages 37-38).

Adjusting wage bracket withholding for employees claiming more than 10 withholding allowances. The wage bracket tables can be used if an employee claims up to 10 allowances. More than 10 allowances may be claimed because of the special withholding allowance, additional allowances for deductions and credits, and the system itself.

Adapt the tables to more than 10 allowances as follows:

1. Multiply the number of withholding allowances over 10 by the allowance value for the payroll period. (The allowance values are in *Table 5, Percentage Method—2007 Amount for One Withholding Allowance* later.)
2. Subtract the result from the employee's wages.
3. On this amount, find and withhold the tax in the column for 10 allowances.

This is a voluntary method. If you use the wage bracket tables, you may continue to withhold the amount in the "10" column when your employee has more than 10 allowances, using the method above. You can also use any other method described below.

Percentage Method

If you do not want to use the wage bracket tables on pages 39 through 58 to figure how much income tax to withhold, you can use a percentage computation based on Table 5 below and the appropriate rate table. This method works for any number of withholding allowances the employee claims and any amount of wages.

Use these steps to figure the income tax to withhold under the percentage method.

1. Multiply one withholding allowance for your payroll period (see Table 5 below) by the number of allowances that the employee claims.

2. Subtract that amount from the employee's wages.
3. Determine the amount to withhold from the appropriate table on page 37 or 38.

Table 5. Percentage Method—2007 Amount for One Withholding Allowance

Payroll Period	One Withholding Allowance
Weekly	\$ 65.38
Biweekly	130.77
Semimonthly	141.67
Monthly	283.33
Quarterly	850.00
Semiannually	1,700.00
Annually	3,400.00
Daily or miscellaneous (each day of the payroll period)	13.08

Example: An unmarried employee is paid \$600 weekly. This employee has in effect a Form W-4 claiming two withholding allowances. Using the percentage method, figure the income tax to withhold as follows:

1. Total wage payment		\$600.00
2. One allowance	\$65.38	
3. Allowances claimed on Form W-4	<u>2</u>	
4. Multiply line 2 by line 3		\$130.76
5. Amount subject to withholding (subtract line 4 from line 1)		\$469.24
6. Tax to be withheld on \$469.24 from Table 1—single person, page 37		<u>\$ 55.54</u>

To figure the income tax to withhold, you may reduce the last digit of the wages to zero, or figure the wages to the nearest dollar.

Annual income tax withholding. Figure the income tax to withhold on annual wages under the *Percentage Method* for an annual payroll period. Then prorate the tax back to the payroll period.

Example. A married person claims four withholding allowances. She is paid \$1,000 a week. Multiply the weekly wages by 52 weeks to figure the annual wage of \$52,000. Subtract \$13,600 (the value of four withholding allowances for 2007) for a balance of \$38,400. Using the table for the annual payroll period on page 38, \$3,792.50 is withheld. Divide the annual tax by 52. The weekly income tax to withhold is \$72.93.

Alternative Methods of Income Tax Withholding

Rather than the *Wage Bracket Method* or *Percentage Method* described above, you can use an alternative method to withhold income tax. Publication 15-A, Employer's Supplemental Tax Guide, describes these alternative methods and contains:

- Formula tables for percentage method withholding (for automated payroll systems),
- Wage bracket percentage method tables (for automated payroll systems), and
- Combined income, social security, and Medicare tax withholding tables.

Some of the alternative methods explained in Publication 15-A are annualized wages, average estimated wages, cumulative wages, and part-year employment.

Advance Payment Methods for the Earned Income Credit (EIC)

To figure the advance EIC payment, you may use either the *Wage Bracket Method* or the *Percentage Method* as explained below. You may use other methods for figuring advance EIC payments if the amount of the payment is about the same as it would be using tables in this booklet. See the tolerances allowed in the chart in section 9 of Publication 15-A. See also section 10 in this booklet for an explanation of the advance payment of the EIC.

The number of withholding allowances that an employee claims on Form W-4 is not used in figuring the advance EIC payment. Nor does it matter that the employee has claimed exemption from income tax withholding on Form W-4.

Wage Bracket Method

If you use the wage bracket tables on pages 61 through 66, figure the advance EIC payment as follows.

Find the employee's gross wages before any deductions using the appropriate table. There are different tables for (a) single or head of household, (b) married without spouse filing certificate, and (c) married with both spouses filing certificates. Determine the amount of the advance EIC payment shown in the appropriate table for the amount of wages paid.

Percentage Method

If you do not want to use the wage bracket tables to figure how much to include in an employee's wages for the

advance EIC payment, you can use the percentage method based on the appropriate rate table on pages 59 and 60.

Find the employee's gross wages before any deductions in the appropriate table on pages 59 and 60. There are different tables for (a) single or head of household, (b) married without spouse filing certificate, and (c) married with both spouses filing certificates. Find the advance EIC payment shown in the appropriate table for the amount of wages paid.

Whole-Dollar Withholding and Paying Advance EIC (Rounding)

The income tax withholding amounts in the Wage Bracket Tables (pages 39-58) have been rounded to whole-dollar amounts.

When employers use the Percentage Method (pages 37-38) or an alternative method of income tax withholding, the tax for the pay period may be rounded to the nearest dollar.

The Wage Bracket Tables for advance EIC payments (pages 61-66) have also been rounded to whole-dollar amounts. If you use the Tables for Percentage Method of Advance EIC Payments (pages 59-60), the payments may be rounded to the nearest dollar.

Tables for Percentage Method of Withholding
(For Wages Paid in 2007)

TABLE 1—WEEKLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person —			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$51		\$0		Not over \$154		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$51	—\$195	10%	—\$51	\$154	—\$449	10%	—\$154
\$195	—\$645	\$14.40 plus 15%	—\$195	\$449	—\$1,360	\$29.50 plus 15%	—\$449
\$645	—\$1,482	\$81.90 plus 25%	—\$645	\$1,360	—\$2,573	\$166.15 plus 25%	—\$1,360
\$1,482	—\$3,131	\$291.15 plus 28%	—\$1,482	\$2,573	—\$3,907	\$469.40 plus 28%	—\$2,573
\$3,131	—\$6,763	\$752.87 plus 33%	—\$3,131	\$3,907	—\$6,865	\$842.92 plus 33%	—\$3,907
\$6,763	. . . . .	\$1,951.43 plus 35%	—\$6,763	\$6,865	. . . . .	\$1,819.06 plus 35%	—\$6,865

TABLE 2—BIWEEKLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person —			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$102		\$0		Not over \$308		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$102	—\$389	10%	—\$102	\$308	—\$898	10%	—\$308
\$389	—\$1,289	\$28.70 plus 15%	—\$389	\$898	—\$2,719	\$59.00 plus 15%	—\$898
\$1,289	—\$2,964	\$163.70 plus 25%	—\$1,289	\$2,719	—\$5,146	\$332.15 plus 25%	—\$2,719
\$2,964	—\$6,262	\$582.45 plus 28%	—\$2,964	\$5,146	—\$7,813	\$938.90 plus 28%	—\$5,146
\$6,262	—\$13,525	\$1,505.89 plus 33%	—\$6,262	\$7,813	—\$13,731	\$1,685.66 plus 33%	—\$7,813
\$13,525	. . . . .	\$3,902.68 plus 35%	—\$13,525	\$13,731	. . . . .	\$3,638.60 plus 35%	—\$13,731

TABLE 3—SEMIMONTHLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person —			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$110		\$0		Not over \$333		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$110	—\$422	10%	—\$110	\$333	—\$973	10%	—\$333
\$422	—\$1,397	\$31.20 plus 15%	—\$422	\$973	—\$2,946	\$64.00 plus 15%	—\$973
\$1,397	—\$3,211	\$177.45 plus 25%	—\$1,397	\$2,946	—\$5,575	\$359.95 plus 25%	—\$2,946
\$3,211	—\$6,783	\$630.95 plus 28%	—\$3,211	\$5,575	—\$8,465	\$1,017.20 plus 28%	—\$5,575
\$6,783	—\$14,652	\$1,631.11 plus 33%	—\$6,783	\$8,465	—\$14,875	\$1,826.40 plus 33%	—\$8,465
\$14,652	. . . . .	\$4,227.88 plus 35%	—\$14,652	\$14,875	. . . . .	\$3,941.70 plus 35%	—\$14,875

TABLE 4—MONTHLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person —			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$221		\$0		Not over \$667		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$221	—\$843	10%	—\$221	\$667	—\$1,946	10%	—\$667
\$843	—\$2,793	\$62.20 plus 15%	—\$843	\$1,946	—\$5,892	\$127.90 plus 15%	—\$1,946
\$2,793	—\$6,423	\$354.70 plus 25%	—\$2,793	\$5,892	—\$11,150	\$719.80 plus 25%	—\$5,892
\$6,423	—\$13,567	\$1,262.20 plus 28%	—\$6,423	\$11,150	—\$16,929	\$2,034.30 plus 28%	—\$11,150
\$13,567	—\$29,304	\$3,262.52 plus 33%	—\$13,567	\$16,929	—\$29,750	\$3,652.42 plus 33%	—\$16,929
\$29,304	. . . . .	\$8,455.73 plus 35%	—\$29,304	\$29,750	. . . . .	\$7,883.35 plus 35%	—\$29,750

Tables for Percentage Method of Withholding (Continued)
(For Wages Paid in 2007)

TABLE 5—QUARTERLY Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person —			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$663		\$0		Not over \$2,000		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$663	—\$2,530	10%	—\$663	\$2,000	—\$5,838	10%	—\$2,000
\$2,530	—\$8,380	\$186.70 plus 15%	—\$2,530	\$5,838	—\$17,675	\$383.80 plus 15%	—\$5,838
\$8,380	—\$19,269	\$1,064.20 plus 25%	—\$8,380	\$17,675	—\$33,450	\$2,159.35 plus 25%	—\$17,675
\$19,269	—\$40,700	\$3,786.45 plus 28%	—\$19,269	\$33,450	—\$50,788	\$6,103.10 plus 28%	—\$33,450
\$40,700	—\$87,913	\$9,787.13 plus 33%	—\$40,700	\$50,788	—\$89,250	\$10,957.74 plus 33%	—\$50,788
\$87,913	. . . . .	\$25,367.42 plus 35%	—\$87,913	\$89,250	. . . . .	\$23,650.20 plus 35%	—\$89,250

TABLE 6—SEMIANNUAL Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person —			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$1,325		\$0		Not over \$4,000		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$1,325	—\$5,060	10%	—\$1,325	\$4,000	—\$11,675	10%	—\$4,000
\$5,060	—\$16,760	\$373.50 plus 15%	—\$5,060	\$11,675	—\$35,350	\$767.50 plus 15%	—\$11,675
\$16,760	—\$38,538	\$2,128.50 plus 25%	—\$16,760	\$35,350	—\$66,900	\$4,318.75 plus 25%	—\$35,350
\$38,538	—\$81,400	\$7,573.00 plus 28%	—\$38,538	\$66,900	—\$101,575	\$12,206.25 plus 28%	—\$66,900
\$81,400	—\$175,825	\$19,574.36 plus 33%	—\$81,400	\$101,575	—\$178,500	\$21,915.25 plus 33%	—\$101,575
\$175,825	. . . . .	\$50,734.61 plus 35%	—\$175,825	\$178,500	. . . . .	\$47,300.50 plus 35%	—\$178,500

TABLE 7—ANNUAL Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person —			
If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:		If the amount of wages (after subtracting withholding allowances) is:		The amount of income tax to withhold is:	
Not over \$2,650		\$0		Not over \$8,000		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$2,650	—\$10,120	10%	—\$2,650	\$8,000	—\$23,350	10%	—\$8,000
\$10,120	—\$33,520	\$747.00 plus 15%	—\$10,120	\$23,350	—\$70,700	\$1,535.00 plus 15%	—\$23,350
\$33,520	—\$77,075	\$4,257.00 plus 25%	—\$33,520	\$70,700	—\$133,800	\$8,637.50 plus 25%	—\$70,700
\$77,075	—\$162,800	\$15,145.75 plus 28%	—\$77,075	\$133,800	—\$203,150	\$24,412.50 plus 28%	—\$133,800
\$162,800	—\$351,650	\$39,148.75 plus 33%	—\$162,800	\$203,150	—\$357,000	\$43,830.50 plus 33%	—\$203,150
\$351,650	. . . . .	\$101,469.25 plus 35%	—\$351,650	\$357,000	. . . . .	\$94,601.00 plus 35%	—\$357,000

TABLE 8—DAILY or MISCELLANEOUS Payroll Period

(a) SINGLE person (including head of household)—				(b) MARRIED person —			
If the amount of wages (after subtracting withholding allowances) divided by the number of days in the payroll period is:		The amount of income tax to withhold per day is:		If the amount of wages (after subtracting withholding allowances) divided by the number of days in the payroll period is:		The amount of income tax to withhold per day is:	
Not over \$10.20		\$0		Not over \$30.80		\$0	
Over—	But not over—		of excess over—	Over—	But not over—		of excess over—
\$10.20	—\$38.90	10%	—\$10.20	\$30.80	—\$89.80	10%	—\$30.80
\$38.90	—\$128.90	\$2.87 plus 15%	—\$38.90	\$89.80	—\$271.90	\$5.90 plus 15%	—\$89.80
\$128.90	—\$296.40	\$16.37 plus 25%	—\$128.90	\$271.90	—\$514.60	\$33.22 plus 25%	—\$271.90
\$296.40	—\$626.20	\$58.25 plus 28%	—\$296.40	\$514.60	—\$781.30	\$93.90 plus 28%	—\$514.60
\$626.20	—\$1,352.50	\$150.59 plus 33%	—\$626.20	\$781.30	—\$1,373.10	\$168.58 plus 33%	—\$781.30
\$1,352.50	. . . . .	\$390.27 plus 35%	—\$1,352.50	\$1,373.10	. . . . .	\$363.87 plus 35%	—\$1,373.10

SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$55	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
55	60	1	0	0	0	0	0	0	0	0	0	0
60	65	1	0	0	0	0	0	0	0	0	0	0
65	70	2	0	0	0	0	0	0	0	0	0	0
70	75	2	0	0	0	0	0	0	0	0	0	0
75	80	3	0	0	0	0	0	0	0	0	0	0
80	85	3	0	0	0	0	0	0	0	0	0	0
85	90	4	0	0	0	0	0	0	0	0	0	0
90	95	4	0	0	0	0	0	0	0	0	0	0
95	100	5	0	0	0	0	0	0	0	0	0	0
100	105	5	0	0	0	0	0	0	0	0	0	0
105	110	6	0	0	0	0	0	0	0	0	0	0
110	115	6	0	0	0	0	0	0	0	0	0	0
115	120	7	0	0	0	0	0	0	0	0	0	0
120	125	7	1	0	0	0	0	0	0	0	0	0
125	130	8	1	0	0	0	0	0	0	0	0	0
130	135	8	2	0	0	0	0	0	0	0	0	0
135	140	9	2	0	0	0	0	0	0	0	0	0
140	145	9	3	0	0	0	0	0	0	0	0	0
145	150	10	3	0	0	0	0	0	0	0	0	0
150	155	10	4	0	0	0	0	0	0	0	0	0
155	160	11	4	0	0	0	0	0	0	0	0	0
160	165	11	5	0	0	0	0	0	0	0	0	0
165	170	12	5	0	0	0	0	0	0	0	0	0
170	175	12	6	0	0	0	0	0	0	0	0	0
175	180	13	6	0	0	0	0	0	0	0	0	0
180	185	13	7	0	0	0	0	0	0	0	0	0
185	190	14	7	1	0	0	0	0	0	0	0	0
190	195	14	8	1	0	0	0	0	0	0	0	0
195	200	15	8	2	0	0	0	0	0	0	0	0
200	210	16	9	2	0	0	0	0	0	0	0	0
210	220	17	10	3	0	0	0	0	0	0	0	0
220	230	19	11	4	0	0	0	0	0	0	0	0
230	240	20	12	5	0	0	0	0	0	0	0	0
240	250	22	13	6	0	0	0	0	0	0	0	0
250	260	23	14	7	1	0	0	0	0	0	0	0
260	270	25	15	8	2	0	0	0	0	0	0	0
270	280	26	17	9	3	0	0	0	0	0	0	0
280	290	28	18	10	4	0	0	0	0	0	0	0
290	300	29	20	11	5	0	0	0	0	0	0	0
300	310	31	21	12	6	0	0	0	0	0	0	0
310	320	32	23	13	7	0	0	0	0	0	0	0
320	330	34	24	14	8	1	0	0	0	0	0	0
330	340	35	26	16	9	2	0	0	0	0	0	0
340	350	37	27	17	10	3	0	0	0	0	0	0
350	360	38	29	19	11	4	0	0	0	0	0	0
360	370	40	30	20	12	5	0	0	0	0	0	0
370	380	41	32	22	13	6	0	0	0	0	0	0
380	390	43	33	23	14	7	1	0	0	0	0	0
390	400	44	35	25	15	8	2	0	0	0	0	0
400	410	46	36	26	17	9	3	0	0	0	0	0
410	420	47	38	28	18	10	4	0	0	0	0	0
420	430	49	39	29	20	11	5	0	0	0	0	0
430	440	50	41	31	21	12	6	0	0	0	0	0
440	450	52	42	32	23	13	7	0	0	0	0	0
450	460	53	44	34	24	14	8	1	0	0	0	0
460	470	55	45	35	26	16	9	2	0	0	0	0
470	480	56	47	37	27	17	10	3	0	0	0	0
480	490	58	48	38	29	19	11	4	0	0	0	0
490	500	59	50	40	30	20	12	5	0	0	0	0
500	510	61	51	41	32	22	13	6	0	0	0	0
510	520	62	53	43	33	23	14	7	1	0	0	0
520	530	64	54	44	35	25	15	8	2	0	0	0
530	540	65	56	46	36	26	16	9	3	0	0	0
540	550	67	57	47	38	28	18	10	4	0	0	0
550	560	68	59	49	39	29	19	11	5	0	0	0
560	570	70	60	50	41	31	21	12	6	0	0	0
570	580	71	62	52	42	32	22	13	7	0	0	0
580	590	73	63	53	44	34	24	14	8	1	0	0
590	600	74	65	55	45	35	25	16	9	2	0	0

SINGLE Persons—WEEKLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$600	\$610	\$76	\$66	\$56	\$47	\$37	\$27	\$17	\$10	\$3	\$0	\$0
610	620	77	68	58	48	38	28	19	11	4	0	0
620	630	79	69	59	50	40	30	20	12	5	0	0
630	640	80	71	61	51	41	31	22	13	6	0	0
640	650	82	72	62	53	43	33	23	14	7	1	0
650	660	84	74	64	54	44	34	25	15	8	2	0
660	670	87	75	65	56	46	36	26	16	9	3	0
670	680	89	77	67	57	47	37	28	18	10	4	0
680	690	92	78	68	59	49	39	29	19	11	5	0
690	700	94	80	70	60	50	40	31	21	12	6	0
700	710	97	81	71	62	52	42	32	22	13	7	0
710	720	99	83	73	63	53	43	34	24	14	8	1
720	730	102	86	74	65	55	45	35	25	15	9	2
730	740	104	88	76	66	56	46	37	27	17	10	3
740	750	107	91	77	68	58	48	38	28	18	11	4
750	760	109	93	79	69	59	49	40	30	20	12	5
760	770	112	96	80	71	61	51	41	31	21	13	6
770	780	114	98	82	72	62	52	43	33	23	14	7
780	790	117	101	84	74	64	54	44	34	24	15	8
790	800	119	103	87	75	65	55	46	36	26	16	9
800	810	122	106	89	77	67	57	47	37	27	18	10
810	820	124	108	92	78	68	58	49	39	29	19	11
820	830	127	111	94	80	70	60	50	40	30	21	12
830	840	129	113	97	81	71	61	52	42	32	22	13
840	850	132	116	99	83	73	63	53	43	33	24	14
850	860	134	118	102	85	74	64	55	45	35	25	15
860	870	137	121	104	88	76	66	56	46	36	27	17
870	880	139	123	107	90	77	67	58	48	38	28	18
880	890	142	126	109	93	79	69	59	49	39	30	20
890	900	144	128	112	95	80	70	61	51	41	31	21
900	910	147	131	114	98	82	72	62	52	42	33	23
910	920	149	133	117	100	84	73	64	54	44	34	24
920	930	152	136	119	103	87	75	65	55	45	36	26
930	940	154	138	122	105	89	76	67	57	47	37	27
940	950	157	141	124	108	92	78	68	58	48	39	29
950	960	159	143	127	110	94	79	70	60	50	40	30
960	970	162	146	129	113	97	81	71	61	51	42	32
970	980	164	148	132	115	99	83	73	63	53	43	33
980	990	167	151	134	118	102	85	74	64	54	45	35
990	1,000	169	153	137	120	104	88	76	66	56	46	36
1,000	1,010	172	156	139	123	107	90	77	67	57	48	38
1,010	1,020	174	158	142	125	109	93	79	69	59	49	39
1,020	1,030	177	161	144	128	112	95	80	70	60	51	41
1,030	1,040	179	163	147	130	114	98	82	72	62	52	42
1,040	1,050	182	166	149	133	117	100	84	73	63	54	44
1,050	1,060	184	168	152	135	119	103	86	75	65	55	45
1,060	1,070	187	171	154	138	122	105	89	76	66	57	47
1,070	1,080	189	173	157	140	124	108	91	78	68	58	48
1,080	1,090	192	176	159	143	127	110	94	79	69	60	50
1,090	1,100	194	178	162	145	129	113	96	81	71	61	51
1,100	1,110	197	181	164	148	132	115	99	83	72	63	53
1,110	1,120	199	183	167	150	134	118	101	85	74	64	54
1,120	1,130	202	186	169	153	137	120	104	88	75	66	56
1,130	1,140	204	188	172	155	139	123	106	90	77	67	57
1,140	1,150	207	191	174	158	142	125	109	93	78	69	59
1,150	1,160	209	193	177	160	144	128	111	95	80	70	60
1,160	1,170	212	196	179	163	147	130	114	98	81	72	62
1,170	1,180	214	198	182	165	149	133	116	100	84	73	63
1,180	1,190	217	201	184	168	152	135	119	103	86	75	65
1,190	1,200	219	203	187	170	154	138	121	105	89	76	66
1,200	1,210	222	206	189	173	157	140	124	108	91	78	68
1,210	1,220	224	208	192	175	159	143	126	110	94	79	69
1,220	1,230	227	211	194	178	162	145	129	113	96	81	71
1,230	1,240	229	213	197	180	164	148	131	115	99	82	72
1,240	1,250	232	216	199	183	167	150	134	118	101	85	74

\$1,250 and over

Use Table 1(a) for a **SINGLE** person on page 37. Also see the instructions on page 35.

MARRIED Persons—WEEKLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
125	130	0	0	0	0	0	0	0	0	0	0	0
130	135	0	0	0	0	0	0	0	0	0	0	0
135	140	0	0	0	0	0	0	0	0	0	0	0
140	145	0	0	0	0	0	0	0	0	0	0	0
145	150	0	0	0	0	0	0	0	0	0	0	0
150	155	0	0	0	0	0	0	0	0	0	0	0
155	160	0	0	0	0	0	0	0	0	0	0	0
160	165	1	0	0	0	0	0	0	0	0	0	0
165	170	1	0	0	0	0	0	0	0	0	0	0
170	175	2	0	0	0	0	0	0	0	0	0	0
175	180	2	0	0	0	0	0	0	0	0	0	0
180	185	3	0	0	0	0	0	0	0	0	0	0
185	190	3	0	0	0	0	0	0	0	0	0	0
190	195	4	0	0	0	0	0	0	0	0	0	0
195	200	4	0	0	0	0	0	0	0	0	0	0
200	210	5	0	0	0	0	0	0	0	0	0	0
210	220	6	0	0	0	0	0	0	0	0	0	0
220	230	7	1	0	0	0	0	0	0	0	0	0
230	240	8	2	0	0	0	0	0	0	0	0	0
240	250	9	3	0	0	0	0	0	0	0	0	0
250	260	10	4	0	0	0	0	0	0	0	0	0
260	270	11	5	0	0	0	0	0	0	0	0	0
270	280	12	6	0	0	0	0	0	0	0	0	0
280	290	13	7	0	0	0	0	0	0	0	0	0
290	300	14	8	1	0	0	0	0	0	0	0	0
300	310	15	9	2	0	0	0	0	0	0	0	0
310	320	16	10	3	0	0	0	0	0	0	0	0
320	330	17	11	4	0	0	0	0	0	0	0	0
330	340	18	12	5	0	0	0	0	0	0	0	0
340	350	19	13	6	0	0	0	0	0	0	0	0
350	360	20	14	7	1	0	0	0	0	0	0	0
360	370	21	15	8	2	0	0	0	0	0	0	0
370	380	22	16	9	3	0	0	0	0	0	0	0
380	390	23	17	10	4	0	0	0	0	0	0	0
390	400	24	18	11	5	0	0	0	0	0	0	0
400	410	25	19	12	6	0	0	0	0	0	0	0
410	420	26	20	13	7	0	0	0	0	0	0	0
420	430	27	21	14	8	1	0	0	0	0	0	0
430	440	28	22	15	9	2	0	0	0	0	0	0
440	450	29	23	16	10	3	0	0	0	0	0	0
450	460	30	24	17	11	4	0	0	0	0	0	0
460	470	32	25	18	12	5	0	0	0	0	0	0
470	480	33	26	19	13	6	0	0	0	0	0	0
480	490	35	27	20	14	7	0	0	0	0	0	0
490	500	36	28	21	15	8	1	0	0	0	0	0
500	510	38	29	22	16	9	2	0	0	0	0	0
510	520	39	30	23	17	10	3	0	0	0	0	0
520	530	41	31	24	18	11	4	0	0	0	0	0
530	540	42	33	25	19	12	5	0	0	0	0	0
540	550	44	34	26	20	13	6	0	0	0	0	0
550	560	45	36	27	21	14	7	1	0	0	0	0
560	570	47	37	28	22	15	8	2	0	0	0	0
570	580	48	39	29	23	16	9	3	0	0	0	0
580	590	50	40	30	24	17	10	4	0	0	0	0
590	600	51	42	32	25	18	11	5	0	0	0	0
600	610	53	43	33	26	19	12	6	0	0	0	0
610	620	54	45	35	27	20	13	7	0	0	0	0
620	630	56	46	36	28	21	14	8	1	0	0	0
630	640	57	48	38	29	22	15	9	2	0	0	0
640	650	59	49	39	30	23	16	10	3	0	0	0
650	660	60	51	41	31	24	17	11	4	0	0	0
660	670	62	52	42	32	25	18	12	5	0	0	0
670	680	63	54	44	34	26	19	13	6	0	0	0
680	690	65	55	45	35	27	20	14	7	1	0	0
690	700	66	57	47	37	28	21	15	8	2	0	0
700	710	68	58	48	38	29	22	16	9	3	0	0
710	720	69	60	50	40	30	23	17	10	4	0	0
720	730	71	61	51	41	32	24	18	11	5	0	0
730	740	72	63	53	43	33	25	19	12	6	0	0

MARRIED Persons—WEEKLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$740	\$750	\$74	\$64	\$54	\$44	\$35	\$26	\$20	\$13	\$7	\$0	\$0
750	760	75	66	56	46	36	27	21	14	8	1	0
760	770	77	67	57	47	38	28	22	15	9	2	0
770	780	78	69	59	49	39	29	23	16	10	3	0
780	790	80	70	60	50	41	31	24	17	11	4	0
790	800	81	72	62	52	42	32	25	18	12	5	0
800	810	83	73	63	53	44	34	26	19	13	6	0
810	820	84	75	65	55	45	35	27	20	14	7	1
820	830	86	76	66	56	47	37	28	21	15	8	2
830	840	87	78	68	58	48	38	29	22	16	9	3
840	850	89	79	69	59	50	40	30	23	17	10	4
850	860	90	81	71	61	51	41	32	24	18	11	5
860	870	92	82	72	62	53	43	33	25	19	12	6
870	880	93	84	74	64	54	44	35	26	20	13	7
880	890	95	85	75	65	56	46	36	27	21	14	8
890	900	96	87	77	67	57	47	38	28	22	15	9
900	910	98	88	78	68	59	49	39	29	23	16	10
910	920	99	90	80	70	60	50	41	31	24	17	11
920	930	101	91	81	71	62	52	42	32	25	18	12
930	940	102	93	83	73	63	53	44	34	26	19	13
940	950	104	94	84	74	65	55	45	35	27	20	14
950	960	105	96	86	76	66	56	47	37	28	21	15
960	970	107	97	87	77	68	58	48	38	29	22	16
970	980	108	99	89	79	69	59	50	40	30	23	17
980	990	110	100	90	80	71	61	51	41	31	24	18
990	1,000	111	102	92	82	72	62	53	43	33	25	19
1,000	1,010	113	103	93	83	74	64	54	44	34	26	20
1,010	1,020	114	105	95	85	75	65	56	46	36	27	21
1,020	1,030	116	106	96	86	77	67	57	47	37	28	22
1,030	1,040	117	108	98	88	78	68	59	49	39	29	23
1,040	1,050	119	109	99	89	80	70	60	50	40	31	24
1,050	1,060	120	111	101	91	81	71	62	52	42	32	25
1,060	1,070	122	112	102	92	83	73	63	53	43	34	26
1,070	1,080	123	114	104	94	84	74	65	55	45	35	27
1,080	1,090	125	115	105	95	86	76	66	56	46	37	28
1,090	1,100	126	117	107	97	87	77	68	58	48	38	29
1,100	1,110	128	118	108	98	89	79	69	59	49	40	30
1,110	1,120	129	120	110	100	90	80	71	61	51	41	31
1,120	1,130	131	121	111	101	92	82	72	62	52	43	33
1,130	1,140	132	123	113	103	93	83	74	64	54	44	34
1,140	1,150	134	124	114	104	95	85	75	65	55	46	36
1,150	1,160	135	126	116	106	96	86	77	67	57	47	37
1,160	1,170	137	127	117	107	98	88	78	68	58	49	39
1,170	1,180	138	129	119	109	99	89	80	70	60	50	40
1,180	1,190	140	130	120	110	101	91	81	71	61	52	42
1,190	1,200	141	132	122	112	102	92	83	73	63	53	43
1,200	1,210	143	133	123	113	104	94	84	74	64	55	45
1,210	1,220	144	135	125	115	105	95	86	76	66	56	46
1,220	1,230	146	136	126	116	107	97	87	77	67	58	48
1,230	1,240	147	138	128	118	108	98	89	79	69	59	49
1,240	1,250	149	139	129	119	110	100	90	80	70	61	51
1,250	1,260	150	141	131	121	111	101	92	82	72	62	52
1,260	1,270	152	142	132	122	113	103	93	83	73	64	54
1,270	1,280	153	144	134	124	114	104	95	85	75	65	55
1,280	1,290	155	145	135	125	116	106	96	86	76	67	57
1,290	1,300	156	147	137	127	117	107	98	88	78	68	58
1,300	1,310	158	148	138	128	119	109	99	89	79	70	60
1,310	1,320	159	150	140	130	120	110	101	91	81	71	61
1,320	1,330	161	151	141	131	122	112	102	92	82	73	63
1,330	1,340	162	153	143	133	123	113	104	94	84	74	64
1,340	1,350	164	154	144	134	125	115	105	95	85	76	66
1,350	1,360	165	156	146	136	126	116	107	97	87	77	67
1,360	1,370	167	157	147	137	128	118	108	98	88	79	69
1,370	1,380	170	159	149	139	129	119	110	100	90	80	70
1,380	1,390	172	160	150	140	131	121	111	101	91	82	72
1,390	1,400	175	162	152	142	132	122	113	103	93	83	73

\$1,400 and over

Use Table 1(b) for a **MARRIED** person on page 37. Also see the instructions on page 35.

SINGLE Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$105	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
105	110	1	0	0	0	0	0	0	0	0	0	0
110	115	1	0	0	0	0	0	0	0	0	0	0
115	120	2	0	0	0	0	0	0	0	0	0	0
120	125	2	0	0	0	0	0	0	0	0	0	0
125	130	3	0	0	0	0	0	0	0	0	0	0
130	135	3	0	0	0	0	0	0	0	0	0	0
135	140	4	0	0	0	0	0	0	0	0	0	0
140	145	4	0	0	0	0	0	0	0	0	0	0
145	150	5	0	0	0	0	0	0	0	0	0	0
150	155	5	0	0	0	0	0	0	0	0	0	0
155	160	6	0	0	0	0	0	0	0	0	0	0
160	165	6	0	0	0	0	0	0	0	0	0	0
165	170	7	0	0	0	0	0	0	0	0	0	0
170	175	7	0	0	0	0	0	0	0	0	0	0
175	180	8	0	0	0	0	0	0	0	0	0	0
180	185	8	0	0	0	0	0	0	0	0	0	0
185	190	9	0	0	0	0	0	0	0	0	0	0
190	195	9	0	0	0	0	0	0	0	0	0	0
195	200	10	0	0	0	0	0	0	0	0	0	0
200	205	10	0	0	0	0	0	0	0	0	0	0
205	210	11	0	0	0	0	0	0	0	0	0	0
210	215	11	0	0	0	0	0	0	0	0	0	0
215	220	12	0	0	0	0	0	0	0	0	0	0
220	225	12	0	0	0	0	0	0	0	0	0	0
225	230	13	0	0	0	0	0	0	0	0	0	0
230	235	13	0	0	0	0	0	0	0	0	0	0
235	240	14	0	0	0	0	0	0	0	0	0	0
240	245	14	1	0	0	0	0	0	0	0	0	0
245	250	15	1	0	0	0	0	0	0	0	0	0
250	260	15	2	0	0	0	0	0	0	0	0	0
260	270	16	3	0	0	0	0	0	0	0	0	0
270	280	17	4	0	0	0	0	0	0	0	0	0
280	290	18	5	0	0	0	0	0	0	0	0	0
290	300	19	6	0	0	0	0	0	0	0	0	0
300	310	20	7	0	0	0	0	0	0	0	0	0
310	320	21	8	0	0	0	0	0	0	0	0	0
320	330	22	9	0	0	0	0	0	0	0	0	0
330	340	23	10	0	0	0	0	0	0	0	0	0
340	350	24	11	0	0	0	0	0	0	0	0	0
350	360	25	12	0	0	0	0	0	0	0	0	0
360	370	26	13	0	0	0	0	0	0	0	0	0
370	380	27	14	1	0	0	0	0	0	0	0	0
380	390	28	15	2	0	0	0	0	0	0	0	0
390	400	30	16	3	0	0	0	0	0	0	0	0
400	410	31	17	4	0	0	0	0	0	0	0	0
410	420	33	18	5	0	0	0	0	0	0	0	0
420	430	34	19	6	0	0	0	0	0	0	0	0
430	440	36	20	7	0	0	0	0	0	0	0	0
440	450	37	21	8	0	0	0	0	0	0	0	0
450	460	39	22	9	0	0	0	0	0	0	0	0
460	470	40	23	10	0	0	0	0	0	0	0	0
470	480	42	24	11	0	0	0	0	0	0	0	0
480	490	43	25	12	0	0	0	0	0	0	0	0
490	500	45	26	13	0	0	0	0	0	0	0	0
500	520	47	28	15	2	0	0	0	0	0	0	0
520	540	50	30	17	4	0	0	0	0	0	0	0
540	560	53	33	19	6	0	0	0	0	0	0	0
560	580	56	36	21	8	0	0	0	0	0	0	0
580	600	59	39	23	10	0	0	0	0	0	0	0
600	620	62	42	25	12	0	0	0	0	0	0	0
620	640	65	45	27	14	1	0	0	0	0	0	0
640	660	68	48	29	16	3	0	0	0	0	0	0
660	680	71	51	32	18	5	0	0	0	0	0	0
680	700	74	54	35	20	7	0	0	0	0	0	0
700	720	77	57	38	22	9	0	0	0	0	0	0
720	740	80	60	41	24	11	0	0	0	0	0	0
740	760	83	63	44	26	13	0	0	0	0	0	0
760	780	86	66	47	28	15	1	0	0	0	0	0
780	800	89	69	50	30	17	3	0	0	0	0	0

SINGLE Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$800	\$820	\$92	\$72	\$53	\$33	\$19	\$5	\$0	\$0	\$0	\$0	\$0
820	840	95	75	56	36	21	7	0	0	0	0	0
840	860	98	78	59	39	23	9	0	0	0	0	0
860	880	101	81	62	42	25	11	0	0	0	0	0
880	900	104	84	65	45	27	13	0	0	0	0	0
900	920	107	87	68	48	29	15	2	0	0	0	0
920	940	110	90	71	51	31	17	4	0	0	0	0
940	960	113	93	74	54	34	19	6	0	0	0	0
960	980	116	96	77	57	37	21	8	0	0	0	0
980	1,000	119	99	80	60	40	23	10	0	0	0	0
1,000	1,020	122	102	83	63	43	25	12	0	0	0	0
1,020	1,040	125	105	86	66	46	27	14	1	0	0	0
1,040	1,060	128	108	89	69	49	30	16	3	0	0	0
1,060	1,080	131	111	92	72	52	33	18	5	0	0	0
1,080	1,100	134	114	95	75	55	36	20	7	0	0	0
1,100	1,120	137	117	98	78	58	39	22	9	0	0	0
1,120	1,140	140	120	101	81	61	42	24	11	0	0	0
1,140	1,160	143	123	104	84	64	45	26	13	0	0	0
1,160	1,180	146	126	107	87	67	48	28	15	2	0	0
1,180	1,200	149	129	110	90	70	51	31	17	4	0	0
1,200	1,220	152	132	113	93	73	54	34	19	6	0	0
1,220	1,240	155	135	116	96	76	57	37	21	8	0	0
1,240	1,260	158	138	119	99	79	60	40	23	10	0	0
1,260	1,280	161	141	122	102	82	63	43	25	12	0	0
1,280	1,300	164	144	125	105	85	66	46	27	14	1	0
1,300	1,320	169	147	128	108	88	69	49	30	16	3	0
1,320	1,340	174	150	131	111	91	72	52	33	18	5	0
1,340	1,360	179	153	134	114	94	75	55	36	20	7	0
1,360	1,380	184	156	137	117	97	78	58	39	22	9	0
1,380	1,400	189	159	140	120	100	81	61	42	24	11	0
1,400	1,420	194	162	143	123	103	84	64	45	26	13	0
1,420	1,440	199	166	146	126	106	87	67	48	28	15	2
1,440	1,460	204	171	149	129	109	90	70	51	31	17	4
1,460	1,480	209	176	152	132	112	93	73	54	34	19	6
1,480	1,500	214	181	155	135	115	96	76	57	37	21	8
1,500	1,520	219	186	158	138	118	99	79	60	40	23	10
1,520	1,540	224	191	161	141	121	102	82	63	43	25	12
1,540	1,560	229	196	164	144	124	105	85	66	46	27	14
1,560	1,580	234	201	169	147	127	108	88	69	49	29	16
1,580	1,600	239	206	174	150	130	111	91	72	52	32	18
1,600	1,620	244	211	179	153	133	114	94	75	55	35	20
1,620	1,640	249	216	184	156	136	117	97	78	58	38	22
1,640	1,660	254	221	189	159	139	120	100	81	61	41	24
1,660	1,680	259	226	194	162	142	123	103	84	64	44	26
1,680	1,700	264	231	199	166	145	126	106	87	67	47	28
1,700	1,720	269	236	204	171	148	129	109	90	70	50	31
1,720	1,740	274	241	209	176	151	132	112	93	73	53	34
1,740	1,760	279	246	214	181	154	135	115	96	76	56	37
1,760	1,780	284	251	219	186	157	138	118	99	79	59	40
1,780	1,800	289	256	224	191	160	141	121	102	82	62	43
1,800	1,820	294	261	229	196	163	144	124	105	85	65	46
1,820	1,840	299	266	234	201	168	147	127	108	88	68	49
1,840	1,860	304	271	239	206	173	150	130	111	91	71	52
1,860	1,880	309	276	244	211	178	153	133	114	94	74	55
1,880	1,900	314	281	249	216	183	156	136	117	97	77	58
1,900	1,920	319	286	254	221	188	159	139	120	100	80	61
1,920	1,940	324	291	259	226	193	162	142	123	103	83	64
1,940	1,960	329	296	264	231	198	165	145	126	106	86	67
1,960	1,980	334	301	269	236	203	170	148	129	109	89	70
1,980	2,000	339	306	274	241	208	175	151	132	112	92	73
2,000	2,020	344	311	279	246	213	180	154	135	115	95	76
2,020	2,040	349	316	284	251	218	185	157	138	118	98	79
2,040	2,060	354	321	289	256	223	190	160	141	121	101	82
2,060	2,080	359	326	294	261	228	195	163	144	124	104	85
2,080	2,100	364	331	299	266	233	200	168	147	127	107	88

\$2,100 and over

Use Table 2(a) for a **SINGLE** person on page 37. Also see the instructions on page 35.

MARRIED Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$250	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
250	260	0	0	0	0	0	0	0	0	0	0	0
260	270	0	0	0	0	0	0	0	0	0	0	0
270	280	0	0	0	0	0	0	0	0	0	0	0
280	290	0	0	0	0	0	0	0	0	0	0	0
290	300	0	0	0	0	0	0	0	0	0	0	0
300	310	0	0	0	0	0	0	0	0	0	0	0
310	320	1	0	0	0	0	0	0	0	0	0	0
320	330	2	0	0	0	0	0	0	0	0	0	0
330	340	3	0	0	0	0	0	0	0	0	0	0
340	350	4	0	0	0	0	0	0	0	0	0	0
350	360	5	0	0	0	0	0	0	0	0	0	0
360	370	6	0	0	0	0	0	0	0	0	0	0
370	380	7	0	0	0	0	0	0	0	0	0	0
380	390	8	0	0	0	0	0	0	0	0	0	0
390	400	9	0	0	0	0	0	0	0	0	0	0
400	410	10	0	0	0	0	0	0	0	0	0	0
410	420	11	0	0	0	0	0	0	0	0	0	0
420	430	12	0	0	0	0	0	0	0	0	0	0
430	440	13	0	0	0	0	0	0	0	0	0	0
440	450	14	1	0	0	0	0	0	0	0	0	0
450	460	15	2	0	0	0	0	0	0	0	0	0
460	470	16	3	0	0	0	0	0	0	0	0	0
470	480	17	4	0	0	0	0	0	0	0	0	0
480	490	18	5	0	0	0	0	0	0	0	0	0
490	500	19	6	0	0	0	0	0	0	0	0	0
500	520	20	7	0	0	0	0	0	0	0	0	0
520	540	22	9	0	0	0	0	0	0	0	0	0
540	560	24	11	0	0	0	0	0	0	0	0	0
560	580	26	13	0	0	0	0	0	0	0	0	0
580	600	28	15	2	0	0	0	0	0	0	0	0
600	620	30	17	4	0	0	0	0	0	0	0	0
620	640	32	19	6	0	0	0	0	0	0	0	0
640	660	34	21	8	0	0	0	0	0	0	0	0
660	680	36	23	10	0	0	0	0	0	0	0	0
680	700	38	25	12	0	0	0	0	0	0	0	0
700	720	40	27	14	1	0	0	0	0	0	0	0
720	740	42	29	16	3	0	0	0	0	0	0	0
740	760	44	31	18	5	0	0	0	0	0	0	0
760	780	46	33	20	7	0	0	0	0	0	0	0
780	800	48	35	22	9	0	0	0	0	0	0	0
800	820	50	37	24	11	0	0	0	0	0	0	0
820	840	52	39	26	13	0	0	0	0	0	0	0
840	860	54	41	28	15	2	0	0	0	0	0	0
860	880	56	43	30	17	4	0	0	0	0	0	0
880	900	58	45	32	19	6	0	0	0	0	0	0
900	920	61	47	34	21	8	0	0	0	0	0	0
920	940	64	49	36	23	10	0	0	0	0	0	0
940	960	67	51	38	25	12	0	0	0	0	0	0
960	980	70	53	40	27	14	1	0	0	0	0	0
980	1,000	73	55	42	29	16	3	0	0	0	0	0
1,000	1,020	76	57	44	31	18	5	0	0	0	0	0
1,020	1,040	79	59	46	33	20	7	0	0	0	0	0
1,040	1,060	82	62	48	35	22	9	0	0	0	0	0
1,060	1,080	85	65	50	37	24	11	0	0	0	0	0
1,080	1,100	88	68	52	39	26	13	0	0	0	0	0
1,100	1,120	91	71	54	41	28	15	2	0	0	0	0
1,120	1,140	94	74	56	43	30	17	4	0	0	0	0
1,140	1,160	97	77	58	45	32	19	6	0	0	0	0
1,160	1,180	100	80	61	47	34	21	8	0	0	0	0
1,180	1,200	103	83	64	49	36	23	10	0	0	0	0
1,200	1,220	106	86	67	51	38	25	12	0	0	0	0
1,220	1,240	109	89	70	53	40	27	14	1	0	0	0
1,240	1,260	112	92	73	55	42	29	16	3	0	0	0
1,260	1,280	115	95	76	57	44	31	18	5	0	0	0
1,280	1,300	118	98	79	59	46	33	20	7	0	0	0
1,300	1,320	121	101	82	62	48	35	22	9	0	0	0
1,320	1,340	124	104	85	65	50	37	24	11	0	0	0
1,340	1,360	127	107	88	68	52	39	26	13	0	0	0
1,360	1,380	130	110	91	71	54	41	28	15	2	0	0

MARRIED Persons—BIWEEKLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$1,380	\$1,400	\$133	\$113	\$94	\$74	\$56	\$43	\$30	\$17	\$4	\$0	\$0
1,400	1,420	136	116	97	77	58	45	32	19	6	0	0
1,420	1,440	139	119	100	80	60	47	34	21	8	0	0
1,440	1,460	142	122	103	83	63	49	36	23	10	0	0
1,460	1,480	145	125	106	86	66	51	38	25	12	0	0
1,480	1,500	148	128	109	89	69	53	40	27	14	1	0
1,500	1,520	151	131	112	92	72	55	42	29	16	3	0
1,520	1,540	154	134	115	95	75	57	44	31	18	5	0
1,540	1,560	157	137	118	98	78	59	46	33	20	7	0
1,560	1,580	160	140	121	101	81	62	48	35	22	9	0
1,580	1,600	163	143	124	104	84	65	50	37	24	11	0
1,600	1,620	166	146	127	107	87	68	52	39	26	13	0
1,620	1,640	169	149	130	110	90	71	54	41	28	15	1
1,640	1,660	172	152	133	113	93	74	56	43	30	17	3
1,660	1,680	175	155	136	116	96	77	58	45	32	19	5
1,680	1,700	178	158	139	119	99	80	60	47	34	21	7
1,700	1,720	181	161	142	122	102	83	63	49	36	23	9
1,720	1,740	184	164	145	125	105	86	66	51	38	25	11
1,740	1,760	187	167	148	128	108	89	69	53	40	27	13
1,760	1,780	190	170	151	131	111	92	72	55	42	29	15
1,780	1,800	193	173	154	134	114	95	75	57	44	31	17
1,800	1,820	196	176	157	137	117	98	78	59	46	33	19
1,820	1,840	199	179	160	140	120	101	81	62	48	35	21
1,840	1,860	202	182	163	143	123	104	84	65	50	37	23
1,860	1,880	205	185	166	146	126	107	87	68	52	39	25
1,880	1,900	208	188	169	149	129	110	90	71	54	41	27
1,900	1,920	211	191	172	152	132	113	93	74	56	43	29
1,920	1,940	214	194	175	155	135	116	96	77	58	45	31
1,940	1,960	217	197	178	158	138	119	99	80	60	47	33
1,960	1,980	220	200	181	161	141	122	102	83	63	49	35
1,980	2,000	223	203	184	164	144	125	105	86	66	51	37
2,000	2,020	226	206	187	167	147	128	108	89	69	53	39
2,020	2,040	229	209	190	170	150	131	111	92	72	55	41
2,040	2,060	232	212	193	173	153	134	114	95	75	57	43
2,060	2,080	235	215	196	176	156	137	117	98	78	59	45
2,080	2,100	238	218	199	179	159	140	120	101	81	61	47
2,100	2,120	241	221	202	182	162	143	123	104	84	64	49
2,120	2,140	244	224	205	185	165	146	126	107	87	67	51
2,140	2,160	247	227	208	188	168	149	129	110	90	70	53
2,160	2,180	250	230	211	191	171	152	132	113	93	73	55
2,180	2,200	253	233	214	194	174	155	135	116	96	76	57
2,200	2,220	256	236	217	197	177	158	138	119	99	79	60
2,220	2,240	259	239	220	200	180	161	141	122	102	82	63
2,240	2,260	262	242	223	203	183	164	144	125	105	85	66
2,260	2,280	265	245	226	206	186	167	147	128	108	88	69
2,280	2,300	268	248	229	209	189	170	150	131	111	91	72
2,300	2,320	271	251	232	212	192	173	153	134	114	94	75
2,320	2,340	274	254	235	215	195	176	156	137	117	97	78
2,340	2,360	277	257	238	218	198	179	159	140	120	100	81
2,360	2,380	280	260	241	221	201	182	162	143	123	103	84
2,380	2,400	283	263	244	224	204	185	165	146	126	106	87
2,400	2,420	286	266	247	227	207	188	168	149	129	109	90
2,420	2,440	289	269	250	230	210	191	171	152	132	112	93
2,440	2,460	292	272	253	233	213	194	174	155	135	115	96
2,460	2,480	295	275	256	236	216	197	177	158	138	118	99
2,480	2,500	298	278	259	239	219	200	180	161	141	121	102
2,500	2,520	301	281	262	242	222	203	183	164	144	124	105
2,520	2,540	304	284	265	245	225	206	186	167	147	127	108
2,540	2,560	307	287	268	248	228	209	189	170	150	130	111
2,560	2,580	310	290	271	251	231	212	192	173	153	133	114
2,580	2,600	313	293	274	254	234	215	195	176	156	136	117
2,600	2,620	316	296	277	257	237	218	198	179	159	139	120
2,620	2,640	319	299	280	260	240	221	201	182	162	142	123
2,640	2,660	322	302	283	263	243	224	204	185	165	145	126
2,660	2,680	325	305	286	266	246	227	207	188	168	148	129
2,680	2,700	328	308	289	269	249	230	210	191	171	151	132

\$2,700 and over

Use Table 2(b) for a **MARRIED** person on page 37. Also see the instructions on page 35.

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$115	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
115	120	1	0	0	0	0	0	0	0	0	0	0
120	125	1	0	0	0	0	0	0	0	0	0	0
125	130	2	0	0	0	0	0	0	0	0	0	0
130	135	2	0	0	0	0	0	0	0	0	0	0
135	140	3	0	0	0	0	0	0	0	0	0	0
140	145	3	0	0	0	0	0	0	0	0	0	0
145	150	4	0	0	0	0	0	0	0	0	0	0
150	155	4	0	0	0	0	0	0	0	0	0	0
155	160	5	0	0	0	0	0	0	0	0	0	0
160	165	5	0	0	0	0	0	0	0	0	0	0
165	170	6	0	0	0	0	0	0	0	0	0	0
170	175	6	0	0	0	0	0	0	0	0	0	0
175	180	7	0	0	0	0	0	0	0	0	0	0
180	185	7	0	0	0	0	0	0	0	0	0	0
185	190	8	0	0	0	0	0	0	0	0	0	0
190	195	8	0	0	0	0	0	0	0	0	0	0
195	200	9	0	0	0	0	0	0	0	0	0	0
200	205	9	0	0	0	0	0	0	0	0	0	0
205	210	10	0	0	0	0	0	0	0	0	0	0
210	215	10	0	0	0	0	0	0	0	0	0	0
215	220	11	0	0	0	0	0	0	0	0	0	0
220	225	11	0	0	0	0	0	0	0	0	0	0
225	230	12	0	0	0	0	0	0	0	0	0	0
230	235	12	0	0	0	0	0	0	0	0	0	0
235	240	13	0	0	0	0	0	0	0	0	0	0
240	245	13	0	0	0	0	0	0	0	0	0	0
245	250	14	0	0	0	0	0	0	0	0	0	0
250	260	14	0	0	0	0	0	0	0	0	0	0
260	270	15	1	0	0	0	0	0	0	0	0	0
270	280	16	2	0	0	0	0	0	0	0	0	0
280	290	17	3	0	0	0	0	0	0	0	0	0
290	300	18	4	0	0	0	0	0	0	0	0	0
300	310	19	5	0	0	0	0	0	0	0	0	0
310	320	20	6	0	0	0	0	0	0	0	0	0
320	330	21	7	0	0	0	0	0	0	0	0	0
330	340	22	8	0	0	0	0	0	0	0	0	0
340	350	23	9	0	0	0	0	0	0	0	0	0
350	360	24	10	0	0	0	0	0	0	0	0	0
360	370	25	11	0	0	0	0	0	0	0	0	0
370	380	26	12	0	0	0	0	0	0	0	0	0
380	390	27	13	0	0	0	0	0	0	0	0	0
390	400	28	14	0	0	0	0	0	0	0	0	0
400	410	29	15	1	0	0	0	0	0	0	0	0
410	420	30	16	2	0	0	0	0	0	0	0	0
420	430	32	17	3	0	0	0	0	0	0	0	0
430	440	33	18	4	0	0	0	0	0	0	0	0
440	450	35	19	5	0	0	0	0	0	0	0	0
450	460	36	20	6	0	0	0	0	0	0	0	0
460	470	38	21	7	0	0	0	0	0	0	0	0
470	480	39	22	8	0	0	0	0	0	0	0	0
480	490	41	23	9	0	0	0	0	0	0	0	0
490	500	42	24	10	0	0	0	0	0	0	0	0
500	520	44	26	12	0	0	0	0	0	0	0	0
520	540	47	28	14	0	0	0	0	0	0	0	0
540	560	50	30	16	1	0	0	0	0	0	0	0
560	580	53	32	18	3	0	0	0	0	0	0	0
580	600	56	35	20	5	0	0	0	0	0	0	0
600	620	59	38	22	7	0	0	0	0	0	0	0
620	640	62	41	24	9	0	0	0	0	0	0	0
640	660	65	44	26	11	0	0	0	0	0	0	0
660	680	68	47	28	13	0	0	0	0	0	0	0
680	700	71	50	30	15	1	0	0	0	0	0	0
700	720	74	53	32	17	3	0	0	0	0	0	0
720	740	77	56	35	19	5	0	0	0	0	0	0
740	760	80	59	38	21	7	0	0	0	0	0	0
760	780	83	62	41	23	9	0	0	0	0	0	0
780	800	86	65	44	25	11	0	0	0	0	0	0
800	820	89	68	47	27	13	0	0	0	0	0	0
820	840	92	71	50	29	15	1	0	0	0	0	0

SINGLE Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$840	\$860	\$95	\$74	\$53	\$32	\$17	\$3	\$0	\$0	\$0	\$0	\$0
860	880	98	77	56	35	19	5	0	0	0	0	0
880	900	101	80	59	38	21	7	0	0	0	0	0
900	920	104	83	62	41	23	9	0	0	0	0	0
920	940	107	86	65	44	25	11	0	0	0	0	0
940	960	110	89	68	47	27	13	0	0	0	0	0
960	980	113	92	71	50	29	15	1	0	0	0	0
980	1,000	116	95	74	53	31	17	3	0	0	0	0
1,000	1,020	119	98	77	56	34	19	5	0	0	0	0
1,020	1,040	122	101	80	59	37	21	7	0	0	0	0
1,040	1,060	125	104	83	62	40	23	9	0	0	0	0
1,060	1,080	128	107	86	65	43	25	11	0	0	0	0
1,080	1,100	131	110	89	68	46	27	13	0	0	0	0
1,100	1,120	134	113	92	71	49	29	15	1	0	0	0
1,120	1,140	137	116	95	74	52	31	17	3	0	0	0
1,140	1,160	140	119	98	77	55	34	19	5	0	0	0
1,160	1,180	143	122	101	80	58	37	21	7	0	0	0
1,180	1,200	146	125	104	83	61	40	23	9	0	0	0
1,200	1,220	149	128	107	86	64	43	25	11	0	0	0
1,220	1,240	152	131	110	89	67	46	27	13	0	0	0
1,240	1,260	155	134	113	92	70	49	29	15	1	0	0
1,260	1,280	158	137	116	95	73	52	31	17	3	0	0
1,280	1,300	161	140	119	98	76	55	34	19	5	0	0
1,300	1,320	164	143	122	101	79	58	37	21	7	0	0
1,320	1,340	167	146	125	104	82	61	40	23	9	0	0
1,340	1,360	170	149	128	107	85	64	43	25	11	0	0
1,360	1,380	173	152	131	110	88	67	46	27	13	0	0
1,380	1,400	176	155	134	113	91	70	49	29	15	0	0
1,400	1,420	181	158	137	116	94	73	52	31	17	2	0
1,420	1,440	186	161	140	119	97	76	55	34	19	4	0
1,440	1,460	191	164	143	122	100	79	58	37	21	6	0
1,460	1,480	196	167	146	125	103	82	61	40	23	8	0
1,480	1,500	201	170	149	128	106	85	64	43	25	10	0
1,500	1,520	206	173	152	131	109	88	67	46	27	12	0
1,520	1,540	211	176	155	134	112	91	70	49	29	14	0
1,540	1,560	216	180	158	137	115	94	73	52	31	16	2
1,560	1,580	221	185	161	140	118	97	76	55	33	18	4
1,580	1,600	226	190	164	143	121	100	79	58	36	20	6
1,600	1,620	231	195	167	146	124	103	82	61	39	22	8
1,620	1,640	236	200	170	149	127	106	85	64	42	24	10
1,640	1,660	241	205	173	152	130	109	88	67	45	26	12
1,660	1,680	246	210	176	155	133	112	91	70	48	28	14
1,680	1,700	251	215	180	158	136	115	94	73	51	30	16
1,700	1,720	256	220	185	161	139	118	97	76	54	33	18
1,720	1,740	261	225	190	164	142	121	100	79	57	36	20
1,740	1,760	266	230	195	167	145	124	103	82	60	39	22
1,760	1,780	271	235	200	170	148	127	106	85	63	42	24
1,780	1,800	276	240	205	173	151	130	109	88	66	45	26
1,800	1,820	281	245	210	176	154	133	112	91	69	48	28
1,820	1,840	286	250	215	179	157	136	115	94	72	51	30
1,840	1,860	291	255	220	184	160	139	118	97	75	54	33
1,860	1,880	296	260	225	189	163	142	121	100	78	57	36
1,880	1,900	301	265	230	194	166	145	124	103	81	60	39
1,900	1,920	306	270	235	199	169	148	127	106	84	63	42
1,920	1,940	311	275	240	204	172	151	130	109	87	66	45
1,940	1,960	316	280	245	209	175	154	133	112	90	69	48
1,960	1,980	321	285	250	214	179	157	136	115	93	72	51
1,980	2,000	326	290	255	219	184	160	139	118	96	75	54
2,000	2,020	331	295	260	224	189	163	142	121	99	78	57
2,020	2,040	336	300	265	229	194	166	145	124	102	81	60
2,040	2,060	341	305	270	234	199	169	148	127	105	84	63
2,060	2,080	346	310	275	239	204	172	151	130	108	87	66
2,080	2,100	351	315	280	244	209	175	154	133	111	90	69
2,100	2,120	356	320	285	249	214	179	157	136	114	93	72
2,120	2,140	361	325	290	254	219	184	160	139	117	96	75

\$2,140 and over

Use Table 3(a) for a **SINGLE** person on page 37. Also see the instructions on page 35.

MARRIED Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$270	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
270	280	0	0	0	0	0	0	0	0	0	0	0
280	290	0	0	0	0	0	0	0	0	0	0	0
290	300	0	0	0	0	0	0	0	0	0	0	0
300	310	0	0	0	0	0	0	0	0	0	0	0
310	320	0	0	0	0	0	0	0	0	0	0	0
320	330	0	0	0	0	0	0	0	0	0	0	0
330	340	0	0	0	0	0	0	0	0	0	0	0
340	350	1	0	0	0	0	0	0	0	0	0	0
350	360	2	0	0	0	0	0	0	0	0	0	0
360	370	3	0	0	0	0	0	0	0	0	0	0
370	380	4	0	0	0	0	0	0	0	0	0	0
380	390	5	0	0	0	0	0	0	0	0	0	0
390	400	6	0	0	0	0	0	0	0	0	0	0
400	410	7	0	0	0	0	0	0	0	0	0	0
410	420	8	0	0	0	0	0	0	0	0	0	0
420	430	9	0	0	0	0	0	0	0	0	0	0
430	440	10	0	0	0	0	0	0	0	0	0	0
440	450	11	0	0	0	0	0	0	0	0	0	0
450	460	12	0	0	0	0	0	0	0	0	0	0
460	470	13	0	0	0	0	0	0	0	0	0	0
470	480	14	0	0	0	0	0	0	0	0	0	0
480	490	15	1	0	0	0	0	0	0	0	0	0
490	500	16	2	0	0	0	0	0	0	0	0	0
500	520	18	4	0	0	0	0	0	0	0	0	0
520	540	20	6	0	0	0	0	0	0	0	0	0
540	560	22	8	0	0	0	0	0	0	0	0	0
560	580	24	10	0	0	0	0	0	0	0	0	0
580	600	26	12	0	0	0	0	0	0	0	0	0
600	620	28	14	0	0	0	0	0	0	0	0	0
620	640	30	16	1	0	0	0	0	0	0	0	0
640	660	32	18	3	0	0	0	0	0	0	0	0
660	680	34	20	5	0	0	0	0	0	0	0	0
680	700	36	22	7	0	0	0	0	0	0	0	0
700	720	38	24	9	0	0	0	0	0	0	0	0
720	740	40	26	11	0	0	0	0	0	0	0	0
740	760	42	28	13	0	0	0	0	0	0	0	0
760	780	44	30	15	1	0	0	0	0	0	0	0
780	800	46	32	17	3	0	0	0	0	0	0	0
800	820	48	34	19	5	0	0	0	0	0	0	0
820	840	50	36	21	7	0	0	0	0	0	0	0
840	860	52	38	23	9	0	0	0	0	0	0	0
860	880	54	40	25	11	0	0	0	0	0	0	0
880	900	56	42	27	13	0	0	0	0	0	0	0
900	920	58	44	29	15	1	0	0	0	0	0	0
920	940	60	46	31	17	3	0	0	0	0	0	0
940	960	62	48	33	19	5	0	0	0	0	0	0
960	980	64	50	35	21	7	0	0	0	0	0	0
980	1,000	67	52	37	23	9	0	0	0	0	0	0
1,000	1,020	70	54	39	25	11	0	0	0	0	0	0
1,020	1,040	73	56	41	27	13	0	0	0	0	0	0
1,040	1,060	76	58	43	29	15	1	0	0	0	0	0
1,060	1,080	79	60	45	31	17	3	0	0	0	0	0
1,080	1,100	82	62	47	33	19	5	0	0	0	0	0
1,100	1,120	85	64	49	35	21	7	0	0	0	0	0
1,120	1,140	88	66	51	37	23	9	0	0	0	0	0
1,140	1,160	91	69	53	39	25	11	0	0	0	0	0
1,160	1,180	94	72	55	41	27	13	0	0	0	0	0
1,180	1,200	97	75	57	43	29	15	1	0	0	0	0
1,200	1,220	100	78	59	45	31	17	3	0	0	0	0
1,220	1,240	103	81	61	47	33	19	5	0	0	0	0
1,240	1,260	106	84	63	49	35	21	7	0	0	0	0
1,260	1,280	109	87	66	51	37	23	9	0	0	0	0
1,280	1,300	112	90	69	53	39	25	11	0	0	0	0
1,300	1,320	115	93	72	55	41	27	13	0	0	0	0
1,320	1,340	118	96	75	57	43	29	15	1	0	0	0
1,340	1,360	121	99	78	59	45	31	17	3	0	0	0
1,360	1,380	124	102	81	61	47	33	19	5	0	0	0
1,380	1,400	127	105	84	63	49	35	21	7	0	0	0
1,400	1,420	130	108	87	66	51	37	23	9	0	0	0

MARRIED Persons—SEMIMONTHLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$1,420	\$1,440	\$133	\$111	\$90	\$69	\$53	\$39	\$25	\$11	\$0	\$0	\$0
1,440	1,460	136	114	93	72	55	41	27	13	0	0	0
1,460	1,480	139	117	96	75	57	43	29	15	0	0	0
1,480	1,500	142	120	99	78	59	45	31	17	2	0	0
1,500	1,520	145	123	102	81	61	47	33	19	4	0	0
1,520	1,540	148	126	105	84	63	49	35	21	6	0	0
1,540	1,560	151	129	108	87	66	51	37	23	8	0	0
1,560	1,580	154	132	111	90	69	53	39	25	10	0	0
1,580	1,600	157	135	114	93	72	55	41	27	12	0	0
1,600	1,620	160	138	117	96	75	57	43	29	14	0	0
1,620	1,640	163	141	120	99	78	59	45	31	16	2	0
1,640	1,660	166	144	123	102	81	61	47	33	18	4	0
1,660	1,680	169	147	126	105	84	63	49	35	20	6	0
1,680	1,700	172	150	129	108	87	65	51	37	22	8	0
1,700	1,720	175	153	132	111	90	68	53	39	24	10	0
1,720	1,740	178	156	135	114	93	71	55	41	26	12	0
1,740	1,760	181	159	138	117	96	74	57	43	28	14	0
1,760	1,780	184	162	141	120	99	77	59	45	30	16	2
1,780	1,800	187	165	144	123	102	80	61	47	32	18	4
1,800	1,820	190	168	147	126	105	83	63	49	34	20	6
1,820	1,840	193	171	150	129	108	86	65	51	36	22	8
1,840	1,860	196	174	153	132	111	89	68	53	38	24	10
1,860	1,880	199	177	156	135	114	92	71	55	40	26	12
1,880	1,900	202	180	159	138	117	95	74	57	42	28	14
1,900	1,920	205	183	162	141	120	98	77	59	44	30	16
1,920	1,940	208	186	165	144	123	101	80	61	46	32	18
1,940	1,960	211	189	168	147	126	104	83	63	48	34	20
1,960	1,980	214	192	171	150	129	107	86	65	50	36	22
1,980	2,000	217	195	174	153	132	110	89	68	52	38	24
2,000	2,020	220	198	177	156	135	113	92	71	54	40	26
2,020	2,040	223	201	180	159	138	116	95	74	56	42	28
2,040	2,060	226	204	183	162	141	119	98	77	58	44	30
2,060	2,080	229	207	186	165	144	122	101	80	60	46	32
2,080	2,100	232	210	189	168	147	125	104	83	62	48	34
2,100	2,120	235	213	192	171	150	128	107	86	65	50	36
2,120	2,140	238	216	195	174	153	131	110	89	68	52	38
2,140	2,160	241	219	198	177	156	134	113	92	71	54	40
2,160	2,180	244	222	201	180	159	137	116	95	74	56	42
2,180	2,200	247	225	204	183	162	140	119	98	77	58	44
2,200	2,220	250	228	207	186	165	143	122	101	80	60	46
2,220	2,240	253	231	210	189	168	146	125	104	83	62	48
2,240	2,260	256	234	213	192	171	149	128	107	86	64	50
2,260	2,280	259	237	216	195	174	152	131	110	89	67	52
2,280	2,300	262	240	219	198	177	155	134	113	92	70	54
2,300	2,320	265	243	222	201	180	158	137	116	95	73	56
2,320	2,340	268	246	225	204	183	161	140	119	98	76	58
2,340	2,360	271	249	228	207	186	164	143	122	101	79	60
2,360	2,380	274	252	231	210	189	167	146	125	104	82	62
2,380	2,400	277	255	234	213	192	170	149	128	107	85	64
2,400	2,420	280	258	237	216	195	173	152	131	110	88	67
2,420	2,440	283	261	240	219	198	176	155	134	113	91	70
2,440	2,460	286	264	243	222	201	179	158	137	116	94	73
2,460	2,480	289	267	246	225	204	182	161	140	119	97	76
2,480	2,500	292	270	249	228	207	185	164	143	122	100	79
2,500	2,520	295	273	252	231	210	188	167	146	125	103	82
2,520	2,540	298	276	255	234	213	191	170	149	128	106	85
2,540	2,560	301	279	258	237	216	194	173	152	131	109	88
2,560	2,580	304	282	261	240	219	197	176	155	134	112	91
2,580	2,600	307	285	264	243	222	200	179	158	137	115	94
2,600	2,620	310	288	267	246	225	203	182	161	140	118	97
2,620	2,640	313	291	270	249	228	206	185	164	143	121	100
2,640	2,660	316	294	273	252	231	209	188	167	146	124	103
2,660	2,680	319	297	276	255	234	212	191	170	149	127	106
2,680	2,700	322	300	279	258	237	215	194	173	152	130	109
2,700	2,720	325	303	282	261	240	218	197	176	155	133	112
2,720	2,740	328	306	285	264	243	221	200	179	158	136	115

\$2,740 and over

Use Table 3(b) for a **MARRIED** person on page 37. Also see the instructions on page 35.

SINGLE Persons—MONTHLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$0	\$220	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
220	230	0	0	0	0	0	0	0	0	0	0	0
230	240	1	0	0	0	0	0	0	0	0	0	0
240	250	2	0	0	0	0	0	0	0	0	0	0
250	260	3	0	0	0	0	0	0	0	0	0	0
260	270	4	0	0	0	0	0	0	0	0	0	0
270	280	5	0	0	0	0	0	0	0	0	0	0
280	290	6	0	0	0	0	0	0	0	0	0	0
290	300	7	0	0	0	0	0	0	0	0	0	0
300	320	9	0	0	0	0	0	0	0	0	0	0
320	340	11	0	0	0	0	0	0	0	0	0	0
340	360	13	0	0	0	0	0	0	0	0	0	0
360	380	15	0	0	0	0	0	0	0	0	0	0
380	400	17	0	0	0	0	0	0	0	0	0	0
400	420	19	0	0	0	0	0	0	0	0	0	0
420	440	21	0	0	0	0	0	0	0	0	0	0
440	460	23	0	0	0	0	0	0	0	0	0	0
460	480	25	0	0	0	0	0	0	0	0	0	0
480	500	27	0	0	0	0	0	0	0	0	0	0
500	520	29	1	0	0	0	0	0	0	0	0	0
520	540	31	3	0	0	0	0	0	0	0	0	0
540	560	33	5	0	0	0	0	0	0	0	0	0
560	580	35	7	0	0	0	0	0	0	0	0	0
580	600	37	9	0	0	0	0	0	0	0	0	0
600	640	40	12	0	0	0	0	0	0	0	0	0
640	680	44	16	0	0	0	0	0	0	0	0	0
680	720	48	20	0	0	0	0	0	0	0	0	0
720	760	52	24	0	0	0	0	0	0	0	0	0
760	800	56	28	0	0	0	0	0	0	0	0	0
800	840	60	32	3	0	0	0	0	0	0	0	0
840	880	65	36	7	0	0	0	0	0	0	0	0
880	920	71	40	11	0	0	0	0	0	0	0	0
920	960	77	44	15	0	0	0	0	0	0	0	0
960	1,000	83	48	19	0	0	0	0	0	0	0	0
1,000	1,040	89	52	23	0	0	0	0	0	0	0	0
1,040	1,080	95	56	27	0	0	0	0	0	0	0	0
1,080	1,120	101	60	31	3	0	0	0	0	0	0	0
1,120	1,160	107	64	35	7	0	0	0	0	0	0	0
1,160	1,200	113	70	39	11	0	0	0	0	0	0	0
1,200	1,240	119	76	43	15	0	0	0	0	0	0	0
1,240	1,280	125	82	47	19	0	0	0	0	0	0	0
1,280	1,320	131	88	51	23	0	0	0	0	0	0	0
1,320	1,360	137	94	55	27	0	0	0	0	0	0	0
1,360	1,400	143	100	59	31	3	0	0	0	0	0	0
1,400	1,440	149	106	64	35	7	0	0	0	0	0	0
1,440	1,480	155	112	70	39	11	0	0	0	0	0	0
1,480	1,520	161	118	76	43	15	0	0	0	0	0	0
1,520	1,560	167	124	82	47	19	0	0	0	0	0	0
1,560	1,600	173	130	88	51	23	0	0	0	0	0	0
1,600	1,640	179	136	94	55	27	0	0	0	0	0	0
1,640	1,680	185	142	100	59	31	2	0	0	0	0	0
1,680	1,720	191	148	106	63	35	6	0	0	0	0	0
1,720	1,760	197	154	112	69	39	10	0	0	0	0	0
1,760	1,800	203	160	118	75	43	14	0	0	0	0	0
1,800	1,840	209	166	124	81	47	18	0	0	0	0	0
1,840	1,880	215	172	130	87	51	22	0	0	0	0	0
1,880	1,920	221	178	136	93	55	26	0	0	0	0	0
1,920	1,960	227	184	142	99	59	30	2	0	0	0	0
1,960	2,000	233	190	148	105	63	34	6	0	0	0	0
2,000	2,040	239	196	154	111	69	38	10	0	0	0	0
2,040	2,080	245	202	160	117	75	42	14	0	0	0	0
2,080	2,120	251	208	166	123	81	46	18	0	0	0	0
2,120	2,160	257	214	172	129	87	50	22	0	0	0	0
2,160	2,200	263	220	178	135	93	54	26	0	0	0	0
2,200	2,240	269	226	184	141	99	58	30	2	0	0	0
2,240	2,280	275	232	190	147	105	62	34	6	0	0	0
2,280	2,320	281	238	196	153	111	68	38	10	0	0	0
2,320	2,360	287	244	202	159	117	74	42	14	0	0	0
2,360	2,400	293	250	208	165	123	80	46	18	0	0	0
2,400	2,440	299	256	214	171	129	86	50	22	0	0	0

SINGLE Persons—MONTHLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$2,440	\$2,480	\$305	\$262	\$220	\$177	\$135	\$92	\$54	\$26	\$0	\$0	\$0
2,480	2,520	311	268	226	183	141	98	58	30	1	0	0
2,520	2,560	317	274	232	189	147	104	62	34	5	0	0
2,560	2,600	323	280	238	195	153	110	68	38	9	0	0
2,600	2,640	329	286	244	201	159	116	74	42	13	0	0
2,640	2,680	335	292	250	207	165	122	80	46	17	0	0
2,680	2,720	341	298	256	213	171	128	86	50	21	0	0
2,720	2,760	347	304	262	219	177	134	92	54	25	0	0
2,760	2,800	353	310	268	225	183	140	98	58	29	1	0
2,800	2,840	361	316	274	231	189	146	104	62	33	5	0
2,840	2,880	371	322	280	237	195	152	110	67	37	9	0
2,880	2,920	381	328	286	243	201	158	116	73	41	13	0
2,920	2,960	391	334	292	249	207	164	122	79	45	17	0
2,960	3,000	401	340	298	255	213	170	128	85	49	21	0
3,000	3,040	411	346	304	261	219	176	134	91	53	25	0
3,040	3,080	421	352	310	267	225	182	140	97	57	29	1
3,080	3,120	431	361	316	273	231	188	146	103	61	33	5
3,120	3,160	441	371	322	279	237	194	152	109	67	37	9
3,160	3,200	451	381	328	285	243	200	158	115	73	41	13
3,200	3,240	461	391	334	291	249	206	164	121	79	45	17
3,240	3,280	471	401	340	297	255	212	170	127	85	49	21
3,280	3,320	481	411	346	303	261	218	176	133	91	53	25
3,320	3,360	491	421	352	309	267	224	182	139	97	57	29
3,360	3,400	501	431	360	315	273	230	188	145	103	61	33
3,400	3,440	511	441	370	321	279	236	194	151	109	66	37
3,440	3,480	521	451	380	327	285	242	200	157	115	72	41
3,480	3,520	531	461	390	333	291	248	206	163	121	78	45
3,520	3,560	541	471	400	339	297	254	212	169	127	84	49
3,560	3,600	551	481	410	345	303	260	218	175	133	90	53
3,600	3,640	561	491	420	351	309	266	224	181	139	96	57
3,640	3,680	571	501	430	359	315	272	230	187	145	102	61
3,680	3,720	581	511	440	369	321	278	236	193	151	108	66
3,720	3,760	591	521	450	379	327	284	242	199	157	114	72
3,760	3,800	601	531	460	389	333	290	248	205	163	120	78
3,800	3,840	611	541	470	399	339	296	254	211	169	126	84
3,840	3,880	621	551	480	409	345	302	260	217	175	132	90
3,880	3,920	631	561	490	419	351	308	266	223	181	138	96
3,920	3,960	641	571	500	429	358	314	272	229	187	144	102
3,960	4,000	651	581	510	439	368	320	278	235	193	150	108
4,000	4,040	661	591	520	449	378	326	284	241	199	156	114
4,040	4,080	671	601	530	459	388	332	290	247	205	162	120
4,080	4,120	681	611	540	469	398	338	296	253	211	168	126
4,120	4,160	691	621	550	479	408	344	302	259	217	174	132
4,160	4,200	701	631	560	489	418	350	308	265	223	180	138
4,200	4,240	711	641	570	499	428	357	314	271	229	186	144
4,240	4,280	721	651	580	509	438	367	320	277	235	192	150
4,280	4,320	731	661	590	519	448	377	326	283	241	198	156
4,320	4,360	741	671	600	529	458	387	332	289	247	204	162
4,360	4,400	751	681	610	539	468	397	338	295	253	210	168
4,400	4,440	761	691	620	549	478	407	344	301	259	216	174
4,440	4,480	771	701	630	559	488	417	350	307	265	222	180
4,480	4,520	781	711	640	569	498	427	356	313	271	228	186
4,520	4,560	791	721	650	579	508	437	366	319	277	234	192
4,560	4,600	801	731	660	589	518	447	376	325	283	240	198
4,600	4,640	811	741	670	599	528	457	386	331	289	246	204
4,640	4,680	821	751	680	609	538	467	396	337	295	252	210
4,680	4,720	831	761	690	619	548	477	406	343	301	258	216
4,720	4,760	841	771	700	629	558	487	416	349	307	264	222
4,760	4,800	851	781	710	639	568	497	426	356	313	270	228
4,800	4,840	861	791	720	649	578	507	436	366	319	276	234
4,840	4,880	871	801	730	659	588	517	446	376	325	282	240
4,880	4,920	881	811	740	669	598	527	456	386	331	288	246
4,920	4,960	891	821	750	679	608	537	466	396	337	294	252
4,960	5,000	901	831	760	689	618	547	476	406	343	300	258
5,000	5,040	911	841	770	699	628	557	486	416	349	306	264
5,040	5,080	921	851	780	709	638	567	496	426	355	312	270

\$5,080 and over

Use Table 4(a) for a **SINGLE** person on page 37. Also see the instructions on page 35.

MARRIED Persons—MONTHLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$540	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
540	560	0	0	0	0	0	0	0	0	0	0	0
560	580	0	0	0	0	0	0	0	0	0	0	0
580	600	0	0	0	0	0	0	0	0	0	0	0
600	640	0	0	0	0	0	0	0	0	0	0	0
640	680	0	0	0	0	0	0	0	0	0	0	0
680	720	3	0	0	0	0	0	0	0	0	0	0
720	760	7	0	0	0	0	0	0	0	0	0	0
760	800	11	0	0	0	0	0	0	0	0	0	0
800	840	15	0	0	0	0	0	0	0	0	0	0
840	880	19	0	0	0	0	0	0	0	0	0	0
880	920	23	0	0	0	0	0	0	0	0	0	0
920	960	27	0	0	0	0	0	0	0	0	0	0
960	1,000	31	3	0	0	0	0	0	0	0	0	0
1,000	1,040	35	7	0	0	0	0	0	0	0	0	0
1,040	1,080	39	11	0	0	0	0	0	0	0	0	0
1,080	1,120	43	15	0	0	0	0	0	0	0	0	0
1,120	1,160	47	19	0	0	0	0	0	0	0	0	0
1,160	1,200	51	23	0	0	0	0	0	0	0	0	0
1,200	1,240	55	27	0	0	0	0	0	0	0	0	0
1,240	1,280	59	31	3	0	0	0	0	0	0	0	0
1,280	1,320	63	35	7	0	0	0	0	0	0	0	0
1,320	1,360	67	39	11	0	0	0	0	0	0	0	0
1,360	1,400	71	43	15	0	0	0	0	0	0	0	0
1,400	1,440	75	47	19	0	0	0	0	0	0	0	0
1,440	1,480	79	51	23	0	0	0	0	0	0	0	0
1,480	1,520	83	55	27	0	0	0	0	0	0	0	0
1,520	1,560	87	59	31	2	0	0	0	0	0	0	0
1,560	1,600	91	63	35	6	0	0	0	0	0	0	0
1,600	1,640	95	67	39	10	0	0	0	0	0	0	0
1,640	1,680	99	71	43	14	0	0	0	0	0	0	0
1,680	1,720	103	75	47	18	0	0	0	0	0	0	0
1,720	1,760	107	79	51	22	0	0	0	0	0	0	0
1,760	1,800	111	83	55	26	0	0	0	0	0	0	0
1,800	1,840	115	87	59	30	2	0	0	0	0	0	0
1,840	1,880	119	91	63	34	6	0	0	0	0	0	0
1,880	1,920	123	95	67	38	10	0	0	0	0	0	0
1,920	1,960	127	99	71	42	14	0	0	0	0	0	0
1,960	2,000	133	103	75	46	18	0	0	0	0	0	0
2,000	2,040	139	107	79	50	22	0	0	0	0	0	0
2,040	2,080	145	111	83	54	26	0	0	0	0	0	0
2,080	2,120	151	115	87	58	30	2	0	0	0	0	0
2,120	2,160	157	119	91	62	34	6	0	0	0	0	0
2,160	2,200	163	123	95	66	38	10	0	0	0	0	0
2,200	2,240	169	127	99	70	42	14	0	0	0	0	0
2,240	2,280	175	133	103	74	46	18	0	0	0	0	0
2,280	2,320	181	139	107	78	50	22	0	0	0	0	0
2,320	2,360	187	145	111	82	54	26	0	0	0	0	0
2,360	2,400	193	151	115	86	58	30	1	0	0	0	0
2,400	2,440	199	157	119	90	62	34	5	0	0	0	0
2,440	2,480	205	163	123	94	66	38	9	0	0	0	0
2,480	2,520	211	169	127	98	70	42	13	0	0	0	0
2,520	2,560	217	175	132	102	74	46	17	0	0	0	0
2,560	2,600	223	181	138	106	78	50	21	0	0	0	0
2,600	2,640	229	187	144	110	82	54	25	0	0	0	0
2,640	2,680	235	193	150	114	86	58	29	1	0	0	0
2,680	2,720	241	199	156	118	90	62	33	5	0	0	0
2,720	2,760	247	205	162	122	94	66	37	9	0	0	0
2,760	2,800	253	211	168	126	98	70	41	13	0	0	0
2,800	2,840	259	217	174	132	102	74	45	17	0	0	0
2,840	2,880	265	223	180	138	106	78	49	21	0	0	0
2,880	2,920	271	229	186	144	110	82	53	25	0	0	0
2,920	2,960	277	235	192	150	114	86	57	29	1	0	0
2,960	3,000	283	241	198	156	118	90	61	33	5	0	0
3,000	3,040	289	247	204	162	122	94	65	37	9	0	0
3,040	3,080	295	253	210	168	126	98	69	41	13	0	0
3,080	3,120	301	259	216	174	131	102	73	45	17	0	0
3,120	3,160	307	265	222	180	137	106	77	49	21	0	0
3,160	3,200	313	271	228	186	143	110	81	53	25	0	0
3,200	3,240	319	277	234	192	149	114	85	57	29	0	0

MARRIED Persons—MONTHLY Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
The amount of income tax to be withheld is—												
\$3,240	\$3,280	\$325	\$283	\$240	\$198	\$155	\$118	\$89	\$61	\$33	\$4	\$0
3,280	3,320	331	289	246	204	161	122	93	65	37	8	0
3,320	3,360	337	295	252	210	167	126	97	69	41	12	0
3,360	3,400	343	301	258	216	173	131	101	73	45	16	0
3,400	3,440	349	307	264	222	179	137	105	77	49	20	0
3,440	3,480	355	313	270	228	185	143	109	81	53	24	0
3,480	3,520	361	319	276	234	191	149	113	85	57	28	0
3,520	3,560	367	325	282	240	197	155	117	89	61	32	4
3,560	3,600	373	331	288	246	203	161	121	93	65	36	8
3,600	3,640	379	337	294	252	209	167	125	97	69	40	12
3,640	3,680	385	343	300	258	215	173	130	101	73	44	16
3,680	3,720	391	349	306	264	221	179	136	105	77	48	20
3,720	3,760	397	355	312	270	227	185	142	109	81	52	24
3,760	3,800	403	361	318	276	233	191	148	113	85	56	28
3,800	3,840	409	367	324	282	239	197	154	117	89	60	32
3,840	3,880	415	373	330	288	245	203	160	121	93	64	36
3,880	3,920	421	379	336	294	251	209	166	125	97	68	40
3,920	3,960	427	385	342	300	257	215	172	130	101	72	44
3,960	4,000	433	391	348	306	263	221	178	136	105	76	48
4,000	4,040	439	397	354	312	269	227	184	142	109	80	52
4,040	4,080	445	403	360	318	275	233	190	148	113	84	56
4,080	4,120	451	409	366	324	281	239	196	154	117	88	60
4,120	4,160	457	415	372	330	287	245	202	160	121	92	64
4,160	4,200	463	421	378	336	293	251	208	166	125	96	68
4,200	4,240	469	427	384	342	299	257	214	172	129	100	72
4,240	4,280	475	433	390	348	305	263	220	178	135	104	76
4,280	4,320	481	439	396	354	311	269	226	184	141	108	80
4,320	4,360	487	445	402	360	317	275	232	190	147	112	84
4,360	4,400	493	451	408	366	323	281	238	196	153	116	88
4,400	4,440	499	457	414	372	329	287	244	202	159	120	92
4,440	4,480	505	463	420	378	335	293	250	208	165	124	96
4,480	4,520	511	469	426	384	341	299	256	214	171	129	100
4,520	4,560	517	475	432	390	347	305	262	220	177	135	104
4,560	4,600	523	481	438	396	353	311	268	226	183	141	108
4,600	4,640	529	487	444	402	359	317	274	232	189	147	112
4,640	4,680	535	493	450	408	365	323	280	238	195	153	116
4,680	4,720	541	499	456	414	371	329	286	244	201	159	120
4,720	4,760	547	505	462	420	377	335	292	250	207	165	124
4,760	4,800	553	511	468	426	383	341	298	256	213	171	128
4,800	4,840	559	517	474	432	389	347	304	262	219	177	134
4,840	4,880	565	523	480	438	395	353	310	268	225	183	140
4,880	4,920	571	529	486	444	401	359	316	274	231	189	146
4,920	4,960	577	535	492	450	407	365	322	280	237	195	152
4,960	5,000	583	541	498	456	413	371	328	286	243	201	158
5,000	5,040	589	547	504	462	419	377	334	292	249	207	164
5,040	5,080	595	553	510	468	425	383	340	298	255	213	170
5,080	5,120	601	559	516	474	431	389	346	304	261	219	176
5,120	5,160	607	565	522	480	437	395	352	310	267	225	182
5,160	5,200	613	571	528	486	443	401	358	316	273	231	188
5,200	5,240	619	577	534	492	449	407	364	322	279	237	194
5,240	5,280	625	583	540	498	455	413	370	328	285	243	200
5,280	5,320	631	589	546	504	461	419	376	334	291	249	206
5,320	5,360	637	595	552	510	467	425	382	340	297	255	212
5,360	5,400	643	601	558	516	473	431	388	346	303	261	218
5,400	5,440	649	607	564	522	479	437	394	352	309	267	224
5,440	5,480	655	613	570	528	485	443	400	358	315	273	230
5,480	5,520	661	619	576	534	491	449	406	364	321	279	236
5,520	5,560	667	625	582	540	497	455	412	370	327	285	242
5,560	5,600	673	631	588	546	503	461	418	376	333	291	248
5,600	5,640	679	637	594	552	509	467	424	382	339	297	254
5,640	5,680	685	643	600	558	515	473	430	388	345	303	260
5,680	5,720	691	649	606	564	521	479	436	394	351	309	266
5,720	5,760	697	655	612	570	527	485	442	400	357	315	272
5,760	5,800	703	661	618	576	533	491	448	406	363	321	278
5,800	5,840	709	667	624	582	539	497	454	412	369	327	284
5,840	5,880	715	673	630	588	545	503	460	418	375	333	290

\$5,880 and over Use Table 4(b) for a **MARRIED** person on page 37. Also see the instructions on page 35.

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period

(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
12	15	0	0	0	0	0	0	0	0	0	0	0
15	18	1	0	0	0	0	0	0	0	0	0	0
18	21	1	0	0	0	0	0	0	0	0	0	0
21	24	1	0	0	0	0	0	0	0	0	0	0
24	27	2	0	0	0	0	0	0	0	0	0	0
27	30	2	1	0	0	0	0	0	0	0	0	0
30	33	2	1	0	0	0	0	0	0	0	0	0
33	36	2	1	0	0	0	0	0	0	0	0	0
36	39	3	1	0	0	0	0	0	0	0	0	0
39	42	3	2	0	0	0	0	0	0	0	0	0
42	45	4	2	1	0	0	0	0	0	0	0	0
45	48	4	2	1	0	0	0	0	0	0	0	0
48	51	4	3	1	0	0	0	0	0	0	0	0
51	54	5	3	2	0	0	0	0	0	0	0	0
54	57	5	3	2	1	0	0	0	0	0	0	0
57	60	6	4	2	1	0	0	0	0	0	0	0
60	63	6	4	3	1	0	0	0	0	0	0	0
63	66	7	5	3	2	0	0	0	0	0	0	0
66	69	7	5	3	2	1	0	0	0	0	0	0
69	72	8	6	4	2	1	0	0	0	0	0	0
72	75	8	6	4	2	1	0	0	0	0	0	0
75	78	9	7	5	3	1	0	0	0	0	0	0
78	81	9	7	5	3	2	0	0	0	0	0	0
81	84	9	7	5	4	2	1	0	0	0	0	0
84	87	10	8	6	4	2	1	0	0	0	0	0
87	90	10	8	6	4	3	1	0	0	0	0	0
90	93	11	9	7	5	3	2	0	0	0	0	0
93	96	11	9	7	5	3	2	1	0	0	0	0
96	99	12	10	8	6	4	2	1	0	0	0	0
99	102	12	10	8	6	4	2	1	0	0	0	0
102	105	13	11	9	7	5	3	1	0	0	0	0
105	108	13	11	9	7	5	3	2	0	0	0	0
108	111	13	11	10	8	6	4	2	1	0	0	0
111	114	14	12	10	8	6	4	2	1	0	0	0
114	117	14	12	10	8	7	5	3	1	0	0	0
117	120	15	13	11	9	7	5	3	2	0	0	0
120	123	15	13	11	9	7	5	3	2	1	0	0
123	126	16	14	12	10	8	6	4	2	1	0	0
126	129	16	14	12	10	8	6	4	3	1	0	0
129	132	17	15	13	11	9	7	5	3	2	0	0
132	135	18	15	13	11	9	7	5	3	2	1	0
135	138	18	16	14	12	10	8	6	4	2	1	0
138	141	19	16	14	12	10	8	6	4	2	1	0
141	144	20	16	14	13	11	9	7	5	3	1	0
144	147	21	17	15	13	11	9	7	5	3	2	0
147	150	21	18	15	13	11	10	8	6	4	2	1
150	153	22	19	16	14	12	10	8	6	4	2	1
153	156	23	19	16	14	12	10	8	6	5	3	1
156	159	24	20	17	15	13	11	9	7	5	3	2
159	162	24	21	18	15	13	11	9	7	5	3	2
162	165	25	22	18	16	14	12	10	8	6	4	2
165	168	26	22	19	16	14	12	10	8	6	4	3
168	171	27	23	20	17	15	13	11	9	7	5	3
171	174	27	24	21	17	15	13	11	9	7	5	3
174	177	28	25	21	18	16	14	12	10	8	6	4
177	180	29	25	22	19	16	14	12	10	8	6	4
180	183	30	26	23	20	16	14	12	11	9	7	5
183	186	30	27	24	20	17	15	13	11	9	7	5
186	189	31	28	24	21	18	15	13	11	9	8	6
189	192	32	28	25	22	19	16	14	12	10	8	6
192	195	33	29	26	23	19	16	14	12	10	8	6
195	198	33	30	27	23	20	17	15	13	11	9	7
198	201	34	31	27	24	21	18	15	13	11	9	7
201	204	35	31	28	25	22	18	16	14	12	10	8
204	207	36	32	29	26	22	19	16	14	12	10	8
207	210	36	33	30	26	23	20	17	15	13	11	9
210	213	37	34	30	27	24	21	17	15	13	11	9
213	216	38	34	31	28	25	21	18	15	14	12	10
216	219	39	35	32	29	25	22	19	16	14	12	10

SINGLE Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$219	\$222	\$39	\$36	\$33	\$29	\$26	\$23	\$20	\$16	\$14	\$12	\$10
222	225	40	37	33	30	27	24	20	17	15	13	11
225	228	41	37	34	31	28	24	21	18	15	13	11
228	231	42	38	35	32	28	25	22	19	16	14	12
231	234	42	39	36	32	29	26	23	19	16	14	12
234	237	43	40	36	33	30	27	23	20	17	15	13
237	240	44	40	37	34	31	27	24	21	18	15	13
240	243	45	41	38	35	31	28	25	22	18	16	14
243	246	45	42	39	35	32	29	26	22	19	16	14
246	249	46	43	39	36	33	30	26	23	20	17	15
249	252	47	43	40	37	34	30	27	24	21	17	15
252	255	48	44	41	38	34	31	28	25	21	18	15
255	258	48	45	42	38	35	32	29	25	22	19	16
258	261	49	46	42	39	36	33	29	26	23	20	16
261	264	50	46	43	40	37	33	30	27	24	20	17
264	267	51	47	44	41	37	34	31	28	24	21	18
267	270	51	48	45	41	38	35	32	28	25	22	19
270	273	52	49	45	42	39	36	32	29	26	23	19
273	276	53	49	46	43	40	36	33	30	27	23	20
276	279	54	50	47	44	40	37	34	31	27	24	21
279	282	54	51	48	44	41	38	35	31	28	25	22
282	285	55	52	48	45	42	39	35	32	29	26	22
285	288	56	52	49	46	43	39	36	33	30	26	23
288	291	57	53	50	47	43	40	37	34	30	27	24
291	294	57	54	51	47	44	41	38	34	31	28	25
294	297	58	55	51	48	45	42	38	35	32	29	25
297	300	59	55	52	49	46	42	39	36	33	29	26
300	303	60	56	53	50	46	43	40	37	33	30	27
303	306	61	57	54	50	47	44	41	37	34	31	28
306	309	61	58	54	51	48	45	41	38	35	32	28
309	312	62	59	55	52	49	45	42	39	36	32	29
312	315	63	59	56	53	49	46	43	40	36	33	30
315	318	64	60	57	53	50	47	44	40	37	34	31
318	321	65	61	57	54	51	48	44	41	38	35	31
321	324	66	62	58	55	52	48	45	42	39	35	32
324	327	66	63	59	56	52	49	46	43	39	36	33
327	330	67	64	60	56	53	50	47	43	40	37	34
330	333	68	64	61	57	54	51	47	44	41	38	34
333	336	69	65	62	58	55	51	48	45	42	38	35
336	339	70	66	62	59	55	52	49	46	42	39	36
339	341	70	67	63	59	56	53	50	46	43	40	36
341	343	71	67	64	60	57	53	50	47	43	40	37
343	345	72	68	64	61	57	54	51	47	44	41	37
345	347	72	68	65	61	58	54	51	48	44	41	38
347	349	73	69	65	62	58	55	52	48	45	42	38
349	351	73	70	66	62	59	55	52	49	45	42	39
351	353	74	70	66	63	59	56	53	49	46	43	39
353	355	74	71	67	63	60	56	53	50	46	43	40
355	357	75	71	68	64	60	57	54	50	47	44	40
357	359	75	72	68	65	61	57	54	51	47	44	41
359	361	76	72	69	65	61	58	55	51	48	45	41
361	363	77	73	69	66	62	58	55	52	48	45	42
363	365	77	74	70	66	63	59	56	52	49	46	42
365	367	78	74	70	67	63	59	56	53	49	46	43
367	369	78	75	71	67	64	60	57	53	50	47	43
369	371	79	75	72	68	64	61	57	54	50	47	44
371	373	79	76	72	68	65	61	58	54	51	48	44
373	375	80	76	73	69	65	62	58	55	51	48	45
375	377	81	77	73	70	66	62	59	55	52	49	45
377	379	81	77	74	70	66	63	59	56	52	49	46
379	381	82	78	74	71	67	63	60	56	53	50	46
381	383	82	79	75	71	68	64	60	57	53	50	47
383	385	83	79	75	72	68	64	61	57	54	51	47
385	387	83	80	76	72	69	65	61	58	54	51	48
387	389	84	80	77	73	69	66	62	58	55	52	48
389	391	84	81	77	73	70	66	62	59	55	52	49

\$391 and over

Use Table 8(a) for a **SINGLE** person on page 38. Also see the instructions on page 35.

MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$0	\$27	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	30	0	0	0	0	0	0	0	0	0	0	0
30	33	0	0	0	0	0	0	0	0	0	0	0
33	36	0	0	0	0	0	0	0	0	0	0	0
36	39	1	0	0	0	0	0	0	0	0	0	0
39	42	1	0	0	0	0	0	0	0	0	0	0
42	45	1	0	0	0	0	0	0	0	0	0	0
45	48	2	0	0	0	0	0	0	0	0	0	0
48	51	2	1	0	0	0	0	0	0	0	0	0
51	54	2	1	0	0	0	0	0	0	0	0	0
54	57	2	1	0	0	0	0	0	0	0	0	0
57	60	3	1	0	0	0	0	0	0	0	0	0
60	63	3	2	0	0	0	0	0	0	0	0	0
63	66	3	2	1	0	0	0	0	0	0	0	0
66	69	4	2	1	0	0	0	0	0	0	0	0
69	72	4	3	1	0	0	0	0	0	0	0	0
72	75	4	3	2	0	0	0	0	0	0	0	0
75	78	5	3	2	1	0	0	0	0	0	0	0
78	81	5	4	2	1	0	0	0	0	0	0	0
81	84	5	4	3	1	0	0	0	0	0	0	0
84	87	5	4	3	2	0	0	0	0	0	0	0
87	90	6	4	3	2	1	0	0	0	0	0	0
90	93	6	5	3	2	1	0	0	0	0	0	0
93	96	7	5	4	2	1	0	0	0	0	0	0
96	99	7	5	4	3	1	0	0	0	0	0	0
99	102	8	6	4	3	2	0	0	0	0	0	0
102	105	8	6	5	3	2	1	0	0	0	0	0
105	108	8	6	5	4	2	1	0	0	0	0	0
108	111	9	7	5	4	3	1	0	0	0	0	0
111	114	9	7	6	4	3	2	0	0	0	0	0
114	117	10	8	6	5	3	2	1	0	0	0	0
117	120	10	8	6	5	4	2	1	0	0	0	0
120	123	11	9	7	5	4	3	1	0	0	0	0
123	126	11	9	7	5	4	3	2	0	0	0	0
126	129	12	10	8	6	4	3	2	1	0	0	0
129	132	12	10	8	6	5	3	2	1	0	0	0
132	135	12	10	9	7	5	4	2	1	0	0	0
135	138	13	11	9	7	5	4	3	1	0	0	0
138	141	13	11	9	7	6	4	3	2	0	0	0
141	144	14	12	10	8	6	5	3	2	1	0	0
144	147	14	12	10	8	6	5	4	2	1	0	0
147	150	15	13	11	9	7	5	4	3	1	0	0
150	153	15	13	11	9	7	6	4	3	2	0	0
153	156	16	14	12	10	8	6	5	3	2	1	0
156	159	16	14	12	10	8	6	5	4	2	1	0
159	162	17	15	13	11	9	7	5	4	3	1	0
162	165	17	15	13	11	9	7	5	4	3	2	0
165	168	17	15	13	12	10	8	6	4	3	2	0
168	171	18	16	14	12	10	8	6	5	3	2	1
171	174	18	16	14	12	10	9	7	5	4	2	1
174	177	19	17	15	13	11	9	7	5	4	3	1
177	180	19	17	15	13	11	9	7	6	4	3	2
180	183	20	18	16	14	12	10	8	6	5	3	2
183	186	20	18	16	14	12	10	8	6	5	4	2
186	189	21	19	17	15	13	11	9	7	5	4	3
189	192	21	19	17	15	13	11	9	7	6	4	3
192	195	21	19	18	16	14	12	10	8	6	5	3
195	198	22	20	18	16	14	12	10	8	6	5	3
198	201	22	20	18	16	15	13	11	9	7	5	4
201	204	23	21	19	17	15	13	11	9	7	5	4
204	207	23	21	19	17	15	13	11	10	8	6	4
207	210	24	22	20	18	16	14	12	10	8	6	5
210	213	24	22	20	18	16	14	12	10	8	7	5
213	216	25	23	21	19	17	15	13	11	9	7	5
216	219	25	23	21	19	17	15	13	11	9	7	6
219	222	26	24	22	20	18	16	14	12	10	8	6
222	225	26	24	22	20	18	16	14	12	10	8	6
225	228	26	24	22	21	19	17	15	13	11	9	7
228	231	27	25	23	21	19	17	15	13	11	9	7
231	234	27	25	23	21	19	18	16	14	12	10	8

MARRIED Persons—DAILY OR MISCELLANEOUS Payroll Period
(For Wages Paid in 2007)

If the wages are—		And the number of withholding allowances claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10
		The amount of income tax to be withheld is—										
\$234	\$237	\$28	\$26	\$24	\$22	\$20	\$18	\$16	\$14	\$12	\$10	\$8
237	240	28	26	24	22	20	18	16	14	13	11	9
240	243	29	27	25	23	21	19	17	15	13	11	9
243	246	29	27	25	23	21	19	17	15	13	11	9
246	249	30	28	26	24	22	20	18	16	14	12	10
249	252	30	28	26	24	22	20	18	16	14	12	10
252	255	30	28	27	25	23	21	19	17	15	13	11
255	258	31	29	27	25	23	21	19	17	15	13	11
258	261	31	29	27	25	24	22	20	18	16	14	12
261	264	32	30	28	26	24	22	20	18	16	14	12
264	267	32	30	28	26	24	22	20	19	17	15	13
267	270	33	31	29	27	25	23	21	19	17	15	13
270	273	33	31	29	27	25	23	21	19	17	16	14
273	276	34	32	30	28	26	24	22	20	18	16	14
276	279	35	32	30	28	26	24	22	20	18	16	14
279	282	35	33	31	29	27	25	23	21	19	17	15
282	285	36	33	31	29	27	25	23	21	19	17	15
285	288	37	34	31	30	28	26	24	22	20	18	16
288	291	38	34	32	30	28	26	24	22	20	18	16
291	294	38	35	32	30	28	27	25	23	21	19	17
294	297	39	36	33	31	29	27	25	23	21	19	17
297	300	40	37	33	31	29	27	25	23	22	20	18
300	303	41	37	34	32	30	28	26	24	22	20	18
303	306	41	38	35	32	30	28	26	24	22	20	18
306	309	42	39	36	33	31	29	27	25	23	21	19
309	312	43	40	36	33	31	29	27	25	23	21	19
312	315	44	40	37	34	32	30	28	26	24	22	20
315	318	44	41	38	35	32	30	28	26	24	22	20
318	321	45	42	39	35	33	31	29	27	25	23	21
321	324	46	43	39	36	33	31	29	27	25	23	21
324	327	47	43	40	37	34	31	29	28	26	24	22
327	330	47	44	41	38	34	32	30	28	26	24	22
330	333	48	45	42	38	35	32	30	28	26	25	23
333	336	49	46	42	39	36	33	31	29	27	25	23
336	339	50	46	43	40	37	33	31	29	27	25	23
339	341	50	47	44	40	37	34	32	30	28	26	24
341	343	51	47	44	41	38	34	32	30	28	26	24
343	345	51	48	45	41	38	35	32	30	28	26	24
345	347	52	48	45	42	39	35	33	31	29	27	25
347	349	52	49	46	42	39	36	33	31	29	27	25
349	351	53	49	46	43	40	36	33	31	29	27	25
351	353	53	50	47	43	40	37	34	32	30	28	26
353	355	54	50	47	44	41	37	34	32	30	28	26
355	357	54	51	48	44	41	38	35	32	30	28	26
357	359	55	51	48	45	42	38	35	32	30	28	27
359	361	55	52	49	45	42	39	36	33	31	29	27
361	363	56	52	49	46	43	39	36	33	31	29	27
363	365	56	53	50	46	43	40	37	33	31	29	27
365	367	57	53	50	47	44	40	37	34	32	30	28
367	369	57	54	51	47	44	41	38	34	32	30	28
369	371	58	54	51	48	45	41	38	35	32	30	28
371	373	58	55	52	48	45	42	39	35	33	31	29
373	375	59	55	52	49	46	42	39	36	33	31	29
375	377	59	56	53	49	46	43	40	36	33	31	29
377	379	60	56	53	50	47	43	40	37	34	31	30
379	381	60	57	54	50	47	44	41	37	34	32	30
381	383	61	57	54	51	48	44	41	38	35	32	30
383	385	61	58	55	51	48	45	42	38	35	32	30
385	387	62	58	55	52	49	45	42	39	36	33	31
387	389	62	59	56	52	49	46	43	39	36	33	31
389	391	63	59	56	53	50	46	43	40	37	33	31
391	393	63	60	57	53	50	47	44	40	37	34	32
393	395	64	60	57	54	51	47	44	41	38	34	32
395	397	64	61	58	54	51	48	45	41	38	35	32
397	399	65	61	58	55	52	48	45	42	39	35	33
399	401	65	62	59	55	52	49	46	42	39	36	33

\$401 and over

Use Table 8(b) for a **MARRIED** person on page 38. Also see the instructions on page 35.

Tables for Percentage Method of Advance EIC Payments
(For Wages Paid in 2007)

Table 1. WEEKLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD		(b) MARRIED Without Spouse Filing Certificate	(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		If the amount of wages (before deducting withholding allowances) is:	If the amount of wages (before deducting withholding allowances) is:		
Over—	But not over—	Over—	But not over—	Over—	But not over—
\$0	\$161	\$0	\$161	\$0	\$80
\$161	\$295	\$161	\$334	\$80	\$167
\$295		\$334		\$167	
	20.40% of wages		20.40% of wages		20.40% of wages
	\$33		\$33		\$16
	\$33 less 9.588% of wages in excess of \$295		\$33 less 9.588% of wages in excess of \$334		\$16 less 9.588% of wages in excess of \$167

Table 2. BIWEEKLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD		(b) MARRIED Without Spouse Filing Certificate	(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		If the amount of wages (before deducting withholding allowances) is:	If the amount of wages (before deducting withholding allowances) is:		
Over—	But not over—	Over—	But not over—	Over—	But not over—
\$0	\$322	\$0	\$322	\$0	\$161
\$322	\$591	\$322	\$668	\$161	\$334
\$591		\$668		\$334	
	20.40% of wages		20.40% of wages		20.40% of wages
	\$66		\$66		\$33
	\$66 less 9.588% of wages in excess of \$591		\$66 less 9.588% of wages in excess of \$668		\$33 less 9.588% of wages in excess of \$334

Table 3. SEMIMONTHLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD		(b) MARRIED Without Spouse Filing Certificate	(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		If the amount of wages (before deducting withholding allowances) is:	If the amount of wages (before deducting withholding allowances) is:		
Over—	But not over—	Over—	But not over—	Over—	But not over—
\$0	\$349	\$0	\$349	\$0	\$174
\$349	\$641	\$349	\$724	\$174	\$362
\$641		\$724		\$362	
	20.40% of wages		20.40% of wages		20.40% of wages
	\$71		\$71		\$35
	\$71 less 9.588% of wages in excess of \$641		\$71 less 9.588% of wages in excess of \$724		\$35 less 9.588% of wages in excess of \$362

Table 4. MONTHLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD		(b) MARRIED Without Spouse Filing Certificate	(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		If the amount of wages (before deducting withholding allowances) is:	If the amount of wages (before deducting withholding allowances) is:		
Over—	But not over—	Over—	But not over—	Over—	But not over—
\$0	\$699	\$0	\$699	\$0	\$349
\$699	\$1,282	\$699	\$1,449	\$349	\$724
\$1,282		\$1,449		\$724	
	20.40% of wages		20.40% of wages		20.40% of wages
	\$143		\$143		\$71
	\$143 less 9.588% of wages in excess of \$1,282		\$143 less 9.588% of wages in excess of \$1,449		\$71 less 9.588% of wages in excess of \$724

Tables for Percentage Method of Advance EIC Payments (Continued)
(For Wages Paid in 2007)

Table 5. QUARTERLY Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$2,097	20.40% of wages	\$0	\$2,097	20.40% of wages	\$0	\$1,048	20.40% of wages
\$2,097	\$3,847	\$428	\$2,097	\$4,347	\$428	\$1,048	\$2,173	\$214
\$3,847		\$428 less 9.588% of wages in excess of \$3,847	\$4,347		\$428 less 9.588% of wages in excess of \$4,347	\$2,173		\$214 less 9.588% of wages in excess of \$2,173

Table 6. SEMIANNUAL Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$4,195	20.40% of wages	\$0	\$4,195	20.40% of wages	\$0	\$2,097	20.40% of wages
\$4,195	\$7,695	\$856	\$4,195	\$8,695	\$856	\$2,097	\$4,347	\$428
\$7,695		\$856 less 9.588% of wages in excess of \$7,695	\$8,695		\$856 less 9.588% of wages in excess of \$8,695	\$4,347		\$428 less 9.588% of wages in excess of \$4,347

Table 7. ANNUAL Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) MARRIED With Both Spouses Filing Certificate		
If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:	If the amount of wages (before deducting withholding allowances) is:		The amount of payment to be made is:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$8,390	20.40% of wages	\$0	\$8,390	20.40% of wages	\$0	\$4,195	20.40% of wages
\$8,390	\$15,390	\$1,712	\$8,390	\$17,390	\$1,712	\$4,195	\$8,695	\$856
\$15,390		\$1,712 less 9.588% of wages in excess of \$15,390	\$17,390		\$1,712 less 9.588% of wages in excess of \$17,390	\$8,695		\$856 less 9.588% of wages in excess of \$8,695

Table 8. DAILY or MISCELLANEOUS Payroll Period

(a) SINGLE or HEAD OF HOUSEHOLD			(b) MARRIED Without Spouse Filing Certificate			(c) MARRIED With Both Spouses Filing Certificate		
If the wages divided by the number of days in such period (before deducting withholding allowances) are:		The amount of payment to be made is the following amount multiplied by the number of days in such period:	If the wages divided by the number of days in such period (before deducting withholding allowances) are:		The amount of payment to be made is the following amount multiplied by the number of days in such period:	If the wages divided by the number of days in such period (before deducting withholding allowances) are:		The amount of payment to be made is the following amount multiplied by the number of days in such period:
Over—	But not over—		Over—	But not over—		Over—	But not over—	
\$0	\$32	20.40% of wages	\$0	\$32	20.40% of wages	\$0	\$16	20.40% of wages
\$32	\$59	\$7	\$32	\$66	\$7	\$16	\$33	\$3
\$59		\$7 less 9.588% of wages in excess of \$59	\$66		\$7 less 9.588% of wages in excess of \$66	\$33		\$3 less 9.588% of wages in excess of \$33

Tables for Wage Bracket Method of Advance EIC Payments (For Wages Paid in 2007)

WEEKLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$70	\$75	\$14	\$140	\$145	\$29	\$385	\$395	\$23	\$525	\$535	\$10
5	10	1	75	80	15	145	150	30	395	405	22	535	545	9
10	15	2	80	85	16	150	155	31	405	415	22	545	555	8
15	20	3	85	90	17	155	160	32	415	425	21	555	565	7
20	25	4	90	95	18	160	295	33	425	435	20	565	575	6
25	30	5	95	100	19	295	305	32	435	445	19	575	585	5
30	35	6	100	105	20	305	315	31	445	455	18	585	595	4
35	40	7	105	110	21	315	325	30	455	465	17	595	605	3
40	45	8	110	115	22	325	335	29	465	475	16	605	615	2
45	50	9	115	120	23	335	345	28	475	485	15	615	625	1
50	55	10	120	125	24	345	355	27	485	495	14	625	- - -	0
55	60	11	125	130	26	355	365	26	495	505	13			
60	65	12	130	135	27	365	375	25	505	515	12			
65	70	13	135	140	28	375	385	24	515	525	11			

MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$70	\$75	\$14	\$140	\$145	\$29	\$420	\$430	\$24	\$560	\$570	\$10
5	10	1	75	80	15	145	150	30	430	440	23	570	580	9
10	15	2	80	85	16	150	155	31	440	450	22	580	590	8
15	20	3	85	90	17	155	160	32	450	460	21	590	600	7
20	25	4	90	95	18	160	330	33	460	470	20	600	610	7
25	30	5	95	100	19	330	340	32	470	480	19	610	620	6
30	35	6	100	105	20	340	350	31	480	490	18	620	630	5
35	40	7	105	110	21	350	360	30	490	500	17	630	640	4
40	45	8	110	115	22	360	370	30	500	510	16	640	650	3
45	50	9	115	120	23	370	380	29	510	520	15	650	660	2
50	55	10	120	125	24	380	390	28	520	530	14	660	670	1
55	60	11	125	130	26	390	400	27	530	540	13	670	- - -	0
60	65	12	130	135	27	400	410	26	540	550	12			
65	70	13	135	140	28	410	420	25	550	560	11			

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$35	\$40	\$7	\$70	\$75	\$14	\$205	\$215	\$12	\$275	\$285	\$5
5	10	1	40	45	8	75	80	15	215	225	11	285	295	4
10	15	2	45	50	9	80	165	16	225	235	10	295	305	3
15	20	3	50	55	10	165	175	16	235	245	9	305	315	2
20	25	4	55	60	11	175	185	15	245	255	8	315	325	1
25	30	5	60	65	12	185	195	14	255	265	7	325	- - -	0
30	35	6	65	70	13	195	205	13	265	275	6			

BIWEEKLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$60	\$65	\$12	\$120	\$125	\$24	\$180	\$185	\$37	\$240	\$245	\$49
5	10	1	65	70	13	125	130	26	185	190	38	245	250	50
10	15	2	70	75	14	130	135	27	190	195	39	250	255	51
15	20	3	75	80	15	135	140	28	195	200	40	255	260	52
20	25	4	80	85	16	140	145	29	200	205	41	260	265	53
25	30	5	85	90	17	145	150	30	205	210	42	265	270	54
30	35	6	90	95	18	150	155	31	210	215	43	270	275	55
35	40	7	95	100	19	155	160	32	215	220	44	275	280	56
40	45	8	100	105	20	160	165	33	220	225	45	280	285	57
45	50	9	105	110	21	165	170	34	225	230	46	285	290	58
50	55	10	110	115	22	170	175	35	230	235	47	290	295	59
55	60	11	115	120	23	175	180	36	235	240	48			

(continued on next page)

BIWEEKLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$295	\$300	\$60	\$680	\$690	\$56	\$830	\$840	\$42	\$980	\$990	\$28	\$1,130	\$1,140	\$13
300	305	61	690	700	55	840	850	41	990	1,000	27	1,140	1,150	12
305	310	62	700	710	55	850	860	40	1,000	1,010	26	1,150	1,160	11
310	315	63	710	720	54	860	870	39	1,010	1,020	25	1,160	1,170	10
315	320	64	720	730	53	870	880	38	1,020	1,030	24	1,170	1,180	9
320	590	65	730	740	52	880	890	37	1,030	1,040	23	1,180	1,190	9
590	600	65	740	750	51	890	900	36	1,040	1,050	22	1,190	1,200	8
600	610	64	750	760	50	900	910	35	1,050	1,060	21	1,200	1,210	7
610	620	63	760	770	49	910	920	34	1,060	1,070	20	1,210	1,220	6
620	630	62	770	780	48	920	930	33	1,070	1,080	19	1,220	1,230	5
630	640	61	780	790	47	930	940	32	1,080	1,090	18	1,230	1,240	4
640	650	60	790	800	46	940	950	32	1,090	1,100	17	1,240	1,250	3
650	660	59	800	810	45	950	960	31	1,100	1,110	16	1,250	1,260	2
660	670	58	810	820	44	960	970	30	1,110	1,120	15	1,260	1,270	1
670	680	57	820	830	43	970	980	29	1,120	1,130	14	1,270	- - -	0

MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$135	\$140	\$28	\$270	\$275	\$55	\$825	\$835	\$50	\$1,095	\$1,105	\$24
5	10	1	140	145	29	275	280	56	835	845	49	1,105	1,115	23
10	15	2	145	150	30	280	285	57	845	855	48	1,115	1,125	22
15	20	3	150	155	31	285	290	58	855	865	47	1,125	1,135	21
20	25	4	155	160	32	290	295	59	865	875	46	1,135	1,145	20
25	30	5	160	165	33	295	300	60	875	885	45	1,145	1,155	19
30	35	6	165	170	34	300	305	61	885	895	44	1,155	1,165	18
35	40	7	170	175	35	305	310	62	895	905	43	1,165	1,175	17
40	45	8	175	180	36	310	315	63	905	915	42	1,175	1,185	16
45	50	9	180	185	37	315	320	64	915	925	41	1,185	1,195	15
50	55	10	185	190	38	320	325	65	925	935	40	1,195	1,205	14
55	60	11	190	195	39	325	330	65	935	945	39	1,205	1,215	13
60	65	12	195	200	40	330	335	64	945	955	38	1,215	1,225	13
65	70	13	200	205	41	335	340	63	955	965	37	1,225	1,235	12
70	75	14	205	210	42	340	345	62	965	975	36	1,235	1,245	11
75	80	15	210	215	43	345	350	61	975	985	35	1,245	1,255	10
80	85	16	215	220	44	350	355	60	985	995	34	1,255	1,265	9
85	90	17	220	225	45	355	360	59	995	1,005	33	1,265	1,275	8
90	95	18	225	230	46	360	365	58	1,005	1,015	32	1,275	1,285	7
95	100	19	230	235	47	365	370	57	1,015	1,025	31	1,285	1,295	6
100	105	20	235	240	48	370	375	56	1,025	1,035	30	1,295	1,305	5
105	110	21	240	245	49	375	380	55	1,035	1,045	29	1,305	1,315	4
110	115	22	245	250	50	380	385	54	1,045	1,055	28	1,315	1,325	3
115	120	23	250	255	51	385	390	53	1,055	1,065	27	1,325	1,335	2
120	125	24	255	260	52	390	395	52	1,065	1,075	26	1,335	1,345	1
125	130	26	260	265	53	395	400	51	1,075	1,085	25	1,345	- - -	0
130	135	27	265	270	54	400	405	50	1,085	1,095	24	- - -	- - -	- - -

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$70	\$75	\$14	\$140	\$145	\$29	\$420	\$430	\$24	\$560	\$570	\$10
5	10	1	75	80	15	145	150	30	430	440	23	570	580	9
10	15	2	80	85	16	150	155	31	440	450	22	580	590	8
15	20	3	85	90	17	155	160	32	450	460	21	590	600	7
20	25	4	90	95	18	160	330	33	460	470	20	600	610	7
25	30	5	95	100	19	330	340	32	470	480	19	610	620	6
30	35	6	100	105	20	340	350	31	480	490	18	620	630	5
35	40	7	105	110	21	350	360	30	490	500	17	630	640	4
40	45	8	110	115	22	360	370	30	500	510	16	640	650	3
45	50	9	115	120	23	370	380	29	510	520	15	650	660	2
50	55	10	120	125	24	380	390	28	520	530	14	660	670	1
55	60	11	125	130	26	390	400	27	530	540	13	670	- - -	0
60	65	12	130	135	27	400	410	26	540	550	12	- - -	- - -	- - -
65	70	13	135	140	28	410	420	25	550	560	11	- - -	- - -	- - -

SEMIMONTHLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$145	\$150	\$30	\$290	\$295	\$59	\$810	\$820	\$54	\$1,100	\$1,110	\$26
5	10	1	150	155	31	295	300	60	820	830	53	1,110	1,120	25
10	15	2	155	160	32	300	305	61	830	840	52	1,120	1,130	24
15	20	3	160	165	33	305	310	62	840	850	51	1,130	1,140	24
20	25	4	165	170	34	310	315	63	850	860	50	1,140	1,150	23
25	30	5	170	175	35	315	320	64	860	870	49	1,150	1,160	22
30	35	6	175	180	36	320	325	65	870	880	48	1,160	1,170	21
35	40	7	180	185	37	325	330	66	880	890	47	1,170	1,180	20
40	45	8	185	190	38	330	335	67	890	900	47	1,180	1,190	19
45	50	9	190	195	39	335	340	68	900	910	46	1,190	1,200	18
50	55	10	195	200	40	340	345	69	910	920	45	1,200	1,210	17
55	60	11	200	205	41	345	640	70	920	930	44	1,210	1,220	16
60	65	12	205	210	42	640	650	70	930	940	43	1,220	1,230	15
65	70	13	210	215	43	650	660	70	940	950	42	1,230	1,240	14
70	75	14	215	220	44	660	670	69	950	960	41	1,240	1,250	13
75	80	15	220	225	45	670	680	68	960	970	40	1,250	1,260	12
80	85	16	225	230	46	680	690	67	970	980	39	1,260	1,270	11
85	90	17	230	235	47	690	700	66	980	990	38	1,270	1,280	10
90	95	18	235	240	48	700	710	65	990	1,000	37	1,280	1,290	9
95	100	19	240	245	49	710	720	64	1,000	1,010	36	1,290	1,300	8
100	105	20	245	250	50	720	730	63	1,010	1,020	35	1,300	1,310	7
105	110	21	250	255	51	730	740	62	1,020	1,030	34	1,310	1,320	6
110	115	22	255	260	52	740	750	61	1,030	1,040	33	1,320	1,330	5
115	120	23	260	265	53	750	760	60	1,040	1,050	32	1,330	1,340	4
120	125	24	265	270	54	760	770	59	1,050	1,060	31	1,340	1,350	3
125	130	26	270	275	55	770	780	58	1,060	1,070	30	1,350	1,360	2
130	135	27	275	280	56	780	790	57	1,070	1,080	29	1,360	1,370	1
135	140	28	280	285	57	790	800	56	1,080	1,090	28	1,370	1,380	1
140	145	29	285	290	58	800	810	55	1,090	1,100	27	1,380	- - -	0

MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$145	\$150	\$30	\$290	\$295	\$59	\$890	\$900	\$55	\$1,180	\$1,190	\$27
5	10	1	150	155	31	295	300	60	900	910	54	1,190	1,200	26
10	15	2	155	160	32	300	305	61	910	920	53	1,200	1,210	25
15	20	3	160	165	33	305	310	62	920	930	52	1,210	1,220	24
20	25	4	165	170	34	310	315	63	930	940	51	1,220	1,230	23
25	30	5	170	175	35	315	320	64	940	950	50	1,230	1,240	22
30	35	6	175	180	36	320	325	65	950	960	49	1,240	1,250	21
35	40	7	180	185	37	325	330	66	960	970	48	1,250	1,260	20
40	45	8	185	190	38	330	335	67	970	980	47	1,260	1,270	19
45	50	9	190	195	39	335	340	68	980	990	46	1,270	1,280	18
50	55	10	195	200	40	340	345	69	990	1,000	45	1,280	1,290	17
55	60	11	200	205	41	345	720	70	1,000	1,010	44	1,290	1,300	16
60	65	12	205	210	42	720	730	71	1,010	1,020	43	1,300	1,310	15
65	70	13	210	215	43	730	740	70	1,020	1,030	42	1,310	1,320	14
70	75	14	215	220	44	740	750	69	1,030	1,040	41	1,320	1,330	13
75	80	15	220	225	45	750	760	68	1,040	1,050	40	1,330	1,340	12
80	85	16	225	230	46	760	770	67	1,050	1,060	39	1,340	1,350	11
85	90	17	230	235	47	770	780	66	1,060	1,070	38	1,350	1,360	10
90	95	18	235	240	48	780	790	65	1,070	1,080	37	1,360	1,370	9
95	100	19	240	245	49	790	800	64	1,080	1,090	36	1,370	1,380	8
100	105	20	245	250	50	800	810	63	1,090	1,100	35	1,380	1,390	8
105	110	21	250	255	51	810	820	62	1,100	1,110	34	1,390	1,400	7
110	115	22	255	260	52	820	830	61	1,110	1,120	33	1,400	1,410	6
115	120	23	260	265	53	830	840	60	1,120	1,130	32	1,410	1,420	5
120	125	24	265	270	54	840	850	59	1,130	1,140	32	1,420	1,430	4
125	130	26	270	275	55	850	860	58	1,140	1,150	31	1,430	1,440	3
130	135	27	275	280	56	860	870	57	1,150	1,160	30	1,440	1,450	2
135	140	28	280	285	57	870	880	56	1,160	1,170	29	1,450	1,460	1
140	145	29	285	290	58	880	890	55	1,170	1,180	28	1,460	- - -	0

SEMIMONTHLY Payroll Period

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$75	\$80	\$15	\$150	\$155	\$31	\$460	\$470	\$25	\$610	\$620	\$11
5	10	1	80	85	16	155	160	32	470	480	24	620	630	10
10	15	2	85	90	17	160	165	33	480	490	23	630	640	9
15	20	3	90	95	18	165	170	34	490	500	22	640	650	8
20	25	4	95	100	19	170	360	35	500	510	22	650	660	7
25	30	5	100	105	20	360	370	35	510	520	21	660	670	6
30	35	6	105	110	21	370	380	34	520	530	20	670	680	5
35	40	7	110	115	22	380	390	33	530	540	19	680	690	4
40	45	8	115	120	23	390	400	32	540	550	18	690	700	3
45	50	9	120	125	24	400	410	31	550	560	17	700	710	2
50	55	10	125	130	26	410	420	30	560	570	16	710	720	1
55	60	11	130	135	27	420	430	29	570	580	15	720	- - -	0
60	65	12	135	140	28	430	440	28	580	590	14			
65	70	13	140	145	29	440	450	27	590	600	13			
70	75	14	145	150	30	450	460	26	600	610	12			

MONTHLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$225	\$230	\$46	\$450	\$455	\$92	\$675	\$680	\$138	\$1,680	\$1,690	\$104
5	10	1	230	235	47	455	460	93	680	685	139	1,690	1,700	103
10	15	2	235	240	48	460	465	94	685	690	140	1,700	1,710	102
15	20	3	240	245	49	465	470	95	690	695	141	1,710	1,720	101
20	25	4	245	250	50	470	475	96	695	1,280	142	1,720	1,730	100
25	30	5	250	255	51	475	480	97	1,280	1,290	142	1,730	1,740	99
30	35	6	255	260	52	480	485	98	1,290	1,300	141	1,740	1,750	98
35	40	7	260	265	53	485	490	99	1,300	1,310	140	1,750	1,760	97
40	45	8	265	270	54	490	495	100	1,310	1,320	139	1,760	1,770	96
45	50	9	270	275	55	495	500	101	1,320	1,330	138	1,770	1,780	95
50	55	10	275	280	56	500	505	102	1,330	1,340	137	1,780	1,790	94
55	60	11	280	285	57	505	510	103	1,340	1,350	136	1,790	1,800	93
60	65	12	285	290	58	510	515	104	1,350	1,360	135	1,800	1,810	92
65	70	13	290	295	59	515	520	105	1,360	1,370	134	1,810	1,820	91
70	75	14	295	300	60	520	525	106	1,370	1,380	133	1,820	1,830	90
75	80	15	300	305	61	525	530	107	1,380	1,390	132	1,830	1,840	89
80	85	16	305	310	62	530	535	108	1,390	1,400	131	1,840	1,850	88
85	90	17	310	315	63	535	540	109	1,400	1,410	130	1,850	1,860	87
90	95	18	315	320	64	540	545	110	1,410	1,420	129	1,860	1,870	86
95	100	19	320	325	65	545	550	111	1,420	1,430	129	1,870	1,880	85
100	105	20	325	330	66	550	555	112	1,430	1,440	128	1,880	1,890	84
105	110	21	330	335	67	555	560	113	1,440	1,450	127	1,890	1,900	83
110	115	22	335	340	68	560	565	114	1,450	1,460	126	1,900	1,910	83
115	120	23	340	345	69	565	570	115	1,460	1,470	125	1,910	1,920	82
120	125	24	345	350	70	570	575	116	1,470	1,480	124	1,920	1,930	81
125	130	26	350	355	71	575	580	117	1,480	1,490	123	1,930	1,940	80
130	135	27	355	360	72	580	585	118	1,490	1,500	122	1,940	1,950	79
135	140	28	360	365	73	585	590	119	1,500	1,510	121	1,950	1,960	78
140	145	29	365	370	74	590	595	120	1,510	1,520	120	1,960	1,970	77
145	150	30	370	375	75	595	600	121	1,520	1,530	119	1,970	1,980	76
150	155	31	375	380	77	600	605	122	1,530	1,540	118	1,980	1,990	75
155	160	32	380	385	78	605	610	123	1,540	1,550	117	1,990	2,000	74
160	165	33	385	390	79	610	615	124	1,550	1,560	116	2,000	2,010	73
165	170	34	390	395	80	615	620	125	1,560	1,570	115	2,010	2,020	72
170	175	35	395	400	81	620	625	126	1,570	1,580	114	2,020	2,030	71
175	180	36	400	405	82	625	630	128	1,580	1,590	113	2,030	2,040	70
180	185	37	405	410	83	630	635	129	1,590	1,600	112	2,040	2,050	69
185	190	38	410	415	84	635	640	130	1,600	1,610	111	2,050	2,060	68
190	195	39	415	420	85	640	645	131	1,610	1,620	110	2,060	2,070	67
195	200	40	420	425	86	645	650	132	1,620	1,630	109	2,070	2,080	66
200	205	41	425	430	87	650	655	133	1,630	1,640	108	2,080	2,090	65
205	210	42	430	435	88	655	660	134	1,640	1,650	107	2,090	2,100	64
210	215	43	435	440	89	660	665	135	1,650	1,660	106	2,100	2,110	63
215	220	44	440	445	90	665	670	136	1,660	1,670	106	2,110	2,120	62
220	225	45	445	450	91	670	675	137	1,670	1,680	105	2,120	2,130	61

(Continued on next page)

MONTHLY Payroll Period

SINGLE or HEAD OF HOUSEHOLD

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$2,130	\$2,140	\$60	\$2260	\$2,270	\$48	\$2,390	\$2400	\$36	\$2,520	\$2,530	\$23	\$2,650	\$2,660	\$11
2,140	2,150	59	2,270	2,280	47	2,400	2,410	35	2,530	2,540	22	2,660	2,670	10
2,150	2,160	59	2,280	2,290	46	2,410	2,420	34	2,540	2,550	21	2,670	2,680	9
2,160	2,170	58	2,290	2,300	45	2,420	2,430	33	2,550	2,560	20	2,680	2,690	8
2,170	2,180	57	2,300	2,310	44	2,430	2,440	32	2,560	2,570	19	2,690	2,700	7
2,180	2,190	56	2,310	2,320	43	2,440	2,450	31	2,570	2,580	18	2,700	2,710	6
2,190	2,200	55	2,320	2,330	42	2,450	2,460	30	2,580	2,590	17	2,710	2,720	5
2,200	2,210	54	2,330	2,340	41	2,460	2,470	29	2,590	2,600	16	2,720	2,730	4
2,210	2,220	53	2,340	2,350	40	2,470	2,480	28	2,600	2,610	15	2,730	2,740	3
2,220	2,230	52	2,350	2,360	39	2,480	2,490	27	2,610	2,620	14	2,740	2,750	2
2,230	2,240	51	2,360	2,370	38	2,490	2,500	26	2,620	2,630	13	2,750	2,760	1
2,240	2,250	50	2,370	2,380	37	2,500	2,510	25	2,630	2,640	13	2,760	- - -	0
2,250	2,260	49	2,380	2,390	36	2,510	2,520	24	2,640	2,650	12			

MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$230	\$235	\$47	\$460	\$465	\$94	\$690	\$695	\$141	\$1,885	\$1,895	\$100
5	10	1	235	240	48	465	470	95	695	1,445	142	1,895	1,905	99
10	15	2	240	245	49	475	475	96	1,445	1,455	142	1,905	1,915	98
15	20	3	245	250	50	475	480	97	1,455	1,465	141	1,915	1,925	97
20	25	4	250	255	51	480	485	98	1,465	1,475	140	1,925	1,935	96
25	30	5	255	260	52	485	490	99	1,475	1,485	139	1,935	1,945	95
30	35	6	260	265	53	490	495	100	1,485	1,495	138	1,945	1,955	94
35	40	7	265	270	54	495	500	101	1,495	1,505	137	1,955	1,965	93
40	45	8	270	275	55	500	505	102	1,505	1,515	136	1,965	1,975	92
45	50	9	275	280	56	505	510	103	1,515	1,525	135	1,975	1,985	91
50	55	10	280	285	57	510	515	104	1,525	1,535	134	1,985	1,995	90
55	60	11	285	290	58	515	520	105	1,535	1,545	133	1,995	2,005	89
60	65	12	290	295	59	520	525	106	1,545	1,555	133	2,005	2,015	88
65	70	13	295	300	60	525	530	107	1,555	1,565	132	2,015	2,025	87
70	75	14	300	305	61	530	535	108	1,565	1,575	131	2,025	2,035	86
75	80	15	305	310	62	535	540	109	1,575	1,585	130	2,035	2,045	86
80	85	16	310	315	63	540	545	110	1,585	1,595	129	2,045	2,055	85
85	90	17	315	320	64	545	550	111	1,595	1,605	128	2,055	2,065	84
90	95	18	320	325	65	550	555	112	1,605	1,615	127	2,065	2,075	83
95	100	19	325	330	66	555	560	113	1,615	1,625	126	2,075	2,085	82
100	105	20	330	335	67	560	565	114	1,625	1,635	125	2,085	2,095	81
105	110	21	335	340	68	565	570	115	1,635	1,645	124	2,095	2,105	80
110	115	22	340	345	69	570	575	116	1,645	1,655	123	2,105	2,115	79
115	120	23	345	350	70	575	580	117	1,655	1,665	122	2,115	2,125	78
120	125	24	350	355	71	580	585	118	1,665	1,675	121	2,125	2,135	77
125	130	26	355	360	72	585	590	119	1,675	1,685	120	2,135	2,145	76
130	135	27	360	365	73	590	595	120	1,685	1,695	119	2,145	2,155	75
135	140	28	365	370	74	595	600	121	1,695	1,705	118	2,155	2,165	74
140	145	29	370	375	75	600	605	122	1,705	1,715	117	2,165	2,175	73
145	150	30	375	380	77	605	610	123	1,715	1,725	116	2,175	2,185	72
150	155	31	380	385	78	610	615	124	1,725	1,735	115	2,185	2,195	71
155	160	32	385	390	79	615	620	125	1,735	1,745	114	2,195	2,205	70
160	165	33	390	395	80	620	625	126	1,745	1,755	113	2,205	2,215	69
165	170	34	395	400	81	625	630	128	1,755	1,765	112	2,215	2,225	68
170	175	35	400	405	82	630	635	129	1,765	1,775	111	2,225	2,235	67
175	180	36	405	410	83	635	640	130	1,775	1,785	110	2,235	2,245	66
180	185	37	410	415	84	640	645	131	1,785	1,795	110	2,245	2,255	65
185	190	38	415	420	85	645	650	132	1,795	1,805	109	2,255	2,265	64
190	195	39	420	425	86	650	655	133	1,805	1,815	108	2,265	2,275	63
195	200	40	425	430	87	655	660	134	1,815	1,825	107	2,275	2,285	63
200	205	41	430	435	88	660	665	135	1,825	1,835	106	2,285	2,295	62
205	210	42	435	440	89	665	670	136	1,835	1,845	105	2,295	2,305	61
210	215	43	440	445	90	670	675	137	1,845	1,855	104	2,305	2,315	60
215	220	44	445	450	91	675	680	138	1,855	1,865	103	2,315	2,325	59
220	225	45	450	455	92	680	685	139	1,865	1,875	102	2,325	2,335	58
225	230	46	455	460	93	685	690	140	1,875	1,885	101			

(Continued on next page)

MONTHLY Payroll Period

MARRIED Without Spouse Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$2,335	\$2,345	\$57	\$2,455	\$2,465	\$45	\$2,575	\$2,585	\$34	\$2,695	\$2,705	\$22	\$2,815	\$2,825	\$11
2,345	2,355	56	2,465	2,475	44	2,585	2,595	33	2,705	2,715	21	2,825	2,835	10
2,355	2,365	55	2,475	2,485	43	2,595	2,605	32	2,715	2,725	20	2,835	2,845	9
2,365	2,375	54	2,485	2,495	42	2,605	2,615	31	2,725	2,735	19	2,845	2,855	8
2,375	2,385	53	2,495	2,505	41	2,615	2,625	30	2,735	2,745	18	2,855	2,865	7
2,385	2,395	52	2,505	2,515	40	2,625	2,635	29	2,745	2,755	17	2,865	2,875	6
2,395	2,405	51	2,515	2,525	40	2,635	2,645	28	2,755	2,765	17	2,875	2,885	5
2,405	2,415	50	2,525	2,535	39	2,645	2,655	27	2,765	2,775	16	2,885	2,895	4
2,415	2,425	49	2,535	2,545	38	2,655	2,665	26	2,775	2,785	15	2,895	2,905	3
2,425	2,435	48	2,545	2,555	37	2,665	2,675	25	2,785	2,795	14	2,905	2,915	2
2,435	2,445	47	2,555	2,565	36	2,675	2,685	24	2,795	2,805	13	2,915	2,925	1
2,445	2,455	46	2,565	2,575	35	2,685	2,695	23	2,805	2,815	12	2,925	- - -	0

MARRIED With Both Spouses Filing Certificate

Wages—			Wages—			Wages—			Wages—			Wages—		
At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made	At least	But less than	Payment to be made
\$0	\$5	\$0	\$145	\$150	\$30	\$290	\$295	\$59	\$890	\$900	\$55	\$1,180	\$1,190	\$27
5	10	1	150	155	31	295	300	60	900	910	54	1,190	1,200	26
10	15	2	155	160	32	300	305	61	910	920	53	1,200	1,210	25
15	20	3	160	165	33	305	310	62	920	930	52	1,210	1,220	24
20	25	4	165	170	34	310	315	63	930	940	51	1,220	1,230	23
25	30	5	170	175	35	315	320	64	940	950	50	1,230	1,240	22
30	35	6	175	180	36	320	325	65	950	960	49	1,240	1,250	21
35	40	7	180	185	37	325	330	66	960	970	48	1,250	1,260	20
40	45	8	185	190	38	330	335	67	970	980	47	1,260	1,270	19
45	50	9	190	195	39	335	340	68	980	990	46	1,270	1,280	18
50	55	10	195	200	40	340	345	69	990	1,000	45	1,280	1,290	17
55	60	11	200	205	41	345	720	70	1,000	1,010	44	1,290	1,300	16
60	65	12	205	210	42	720	730	71	1,010	1,020	43	1,300	1,310	15
65	70	13	210	215	43	730	740	70	1,020	1,030	42	1,310	1,320	14
70	75	14	215	220	44	740	750	69	1,030	1,040	41	1,320	1,330	13
75	80	15	220	225	45	750	760	68	1,040	1,050	40	1,330	1,340	12
80	85	16	225	230	46	760	770	67	1,050	1,060	39	1,340	1,350	11
85	90	17	230	235	47	770	780	66	1,060	1,070	38	1,350	1,360	10
90	95	18	235	240	48	780	790	65	1,070	1,080	37	1,360	1,370	9
95	100	19	240	245	49	790	800	64	1,080	1,090	36	1,370	1,380	8
100	105	20	245	250	50	800	810	63	1,090	1,100	35	1,380	1,390	8
105	110	21	250	255	51	810	820	62	1,100	1,110	34	1,390	1,400	7
110	115	22	255	260	52	820	830	61	1,110	1,120	33	1,400	1,410	6
115	120	23	260	265	53	830	840	60	1,120	1,130	32	1,410	1,420	5
120	125	24	265	270	54	840	850	59	1,130	1,140	32	1,420	1,430	4
125	130	26	270	275	55	850	860	58	1,140	1,150	31	1,430	1,440	3
130	135	27	275	280	56	860	870	57	1,150	1,160	30	1,440	1,450	2
135	140	28	280	285	57	870	880	56	1,160	1,170	29	1,450	1,460	1
140	145	29	285	290	58	880	890	55	1,170	1,180	28	1,460	- - -	0

DAILY Payroll Period

SINGLE or HEAD OF HOUSEHOLD			MARRIED Without Spouse Filing Certificate			MARRIED With Both Spouses Filing Certificate		
Wages—		Payment to be made	Wages—		Payment to be made	Wages—		Payment to be made
At least	But less than		At least	But less than		At least	But less than	
\$0	\$5	\$0	\$65	\$75	\$5	\$0	\$5	\$0
5	10	1	75	85	4	5	10	1
10	15	2	85	95	3	10	15	2
15	20	3	95	105	2	15	20	3
20	25	4	105	115	1	20	25	4
25	30	5	115	- - -	0	25	30	5
30	55	6				30	65	6
55	65	6				65	75	6



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